

May 8, 2006



TRANSCRIPT
May 8, 2006

PRESENT

MONTGOMERY COUNTY COUNCIL

| | |
|-----------------------------|-------------------------------------|
| George Leventhal, President | Marilyn J. Praisner, Vice President |
| Phil Andrews | Howard Denis |
| Nancy Floreen | Michael Knapp |
| Thomas Perez | Steven A. Silverman |
| | Michael Subin |



May 8, 2006

1 Council President Leventhal,
2 Good morning. The County Council is in session. And we are going to take up the
3 budget of the Washington Suburban Sanitary Commission. So if the General Manager
4 and his staff -- and we have Chairman Lieber here -- anyone from WSSC, that needs to
5 meet with us. And we're going to be ably led by Chairwoman Floreen.

6
7 Councilmember Floreen,
8 Thank you, Mr. President. Let me ask if anyone from WSSC -- Andy or Marc, if you'd
9 like to make any opening comments? It works. It's just -- we're not funding the light.

10
11 Andy Brunhart,
12 I understand. Good morning, Andy Brunhart, WSSC. Of course, we have our Chair
13 Lieber here today -- Marc Lieber. And Carla Joyner, our Deputy General Manager. Tom
14 Traber, our Chief Financial Officer, Joe Zorica our Chief Engineer, and we're happy to
15 be here this morning to discuss our Fiscal Year '07 Operating Budget. Once again,
16 Council staff, Keith and crew have done a very thorough job in evaluating our budget
17 and we are in complete agreement with the T&E Committee's recommendations. And
18 we'll be very happy to respond to any of the Council's questions that you might have. So
19 good morning to you all.

20
21 Councilmember Floreen,
22 Good morning. Thank you very much. There are no surprises in the WSSC Operating
23 Budget. What's proposed is a 3% average rate increase which translates to about \$4
24 average a customer. The committee's recommendation is to approve the Operating
25 Budget with the following changes: decrease the debt service assumptions by \$305,000
26 because they received some revised Blue Plains capital cost information, and to
27 increase the debt -- well, and then add it back in, \$65,700 to accommodate additions to
28 the WSSC CIP. It also -- we also recommend of two new projects in the CIP as
29 proposed. The Anacostia Storage Facility and the Septage Discharge Facility Study. I'll
30 note we're doing the first because we have a meeting with the Prince George's County
31 Council on May 11th, where we will either agree or we will not agree. I will just note for
32 the record the interesting things about this budget or about WSSC are the things that
33 are not before us. Marlborough Meadows has been bifurcated in terms of the
34 Commissioner's approval, and there has been no decision made as of today with
35 respect to Montgomery County's purchase of site two. So those interesting issues are
36 not before us. But they're the only interesting ones in here. Not to minimize the
37 importance of this, but those are the ones that are actually on our minds. Within the
38 budget itself, as I said, it's a 3% average rate increase proposed. A net increase of 32
39 work years, as well, including 16 for the -- what do we call this, the SSO -- the
40 stormwater...

41
42 Andy Brunhart,
43 Sanitary Sewer Overflow Consent Agreement.



May 8, 2006

1 Councilmember Floreen,
2 Sanitary Sewer Overflow Consent Agreement. They're adding positions in I.T. and two
3 in the General Counsel's office and six related to plumbing inspections. They budget
4 168 million gallons per day for water production. They assume \$1.5 million in PayGo
5 funding, \$7-plus million in compensation adjustments, and several small expanded
6 programs. After we received the budget, WSSC announced a major restructuring of its
7 Information Technology department. They are abolishing 73 positions and replacing it
8 with primarily -- I think they're all non-merit, aren't they?

9
10 Andy Brunhart,
11 Three are merit, ma'am.

12
13 Councilmember Floreen,
14 Three will be merit and the rest will not be merit. We spent some significant time in
15 committee discussing the process for this because we were troubled about the lack of
16 notice to the County. And they have received approval for their approach to handling
17 this, but we urge that the County continue to keep a close eye on how that works
18 because of its implications for government employees generally, and these individuals
19 in particular. Overall, their proposed Operating Budget is an increase of \$7.7 million
20 over the current budget. It's a 1.6% increase. And however, the combined total of the
21 Capital and Operating Budgets is a decrease of 0.3%, which is a rare fact indeed within
22 the operation of County government. Let's see here. As I said, with respect to
23 employees, they are adding six additional plumbing inspectors to eliminate what is their
24 current approach of allowing self-certification of plumbing work. And however, the cost
25 of these additional inspectors will be covered by fee increases, so it really doesn't have
26 an impact on the rate payers. And please chime in if I'm getting anything incorrect here.
27 The spending control limits for WSSC do assume a rate increase for the third year in a
28 row after many years of no increase. And as I said, that the effect of the proposed
29 increase is about four dollars a rate payer.

30
31 Councilmember Praisner,
32 I had a question.

33
34 Councilmember Floreen,
35 Sure.

36
37 Councilmember Praisner,
38 Not really a question, a comment. We received testimony and it speaks to the spending
39 affordability and other points. We received testimony from a Mr. Price during the public
40 hearing raising some questions about actually fiscal policy more than specific projects,
41 the use of PayGo and the use of onetime funds to -- extra money in the reserve and
42 how it's used. I don't know necessarily that now is an appropriate time to go into it in
43 great length, but I think it would be helpful in some -- it occurred to me -- I'm not sure in
44 the budget document that you explain your policies from that financial perspective. And



May 8, 2006

1 you may, and I've just not looked at it recently, but it occurred to me that having been
2 given that comprehensive look, we don't normally get citizens asking questions about
3 fund balances and use of PayGo, et cetera, that I wanted to make sure that you all had
4 responded to him and that we examined ways in which we might be more forthcoming
5 in the comprehensive coverage of those kinds of issues.

6
7 Andy Brunhart,

8 We did receive of course in public hearing Mr. Price's comments and have considered
9 them. He's also asked us for some more information. I think I'll ask our CFO to just give
10 you a one- or two-minute really top-level response to what we think of his queries.

11
12 Tom Traber,

13 If it comes down to a difference of opinion or how to approach a fund balance, where
14 most governmentals take a fund balance, which is a onetime excess in cash, we have
15 to figure out the most appropriate use for it. In our opinion, the best use for that is a
16 PayGo approach, which means you only fund it one time. You don't have an ongoing
17 program. There are other theories as to better ways to do that. We think that's most
18 financially prudent and the rating agencies seem to agree with our approach toward
19 that, as have the Councils over the past many years.

20
21 Councilmember Praisner,

22 Yes, I wasn't as concerned about the PayGo because I think we may have had some
23 conversations about PayGo in general from a Council perspective that is consistent with
24 that. In fact, the bond rating agencies are anxious for Montgomery to use more PayGo
25 and not to use it to fund onetime money for onetime purposes -- not use it for ongoing
26 issues. But I was more interested in the issue of the reserve and use of that to draw
27 down and your explanation about the reserve issues.

28
29 Tom Traber,

30 Sure. We do have a policy in place. We have a 5% operating reserve right now and it's
31 increasing every year. Actually right now it's around 6%. We want to increase that to
32 10% over time, at a million and a half dollars. There's also -- above that, there is still
33 available fund balance and it's being used for such items as the McGowen claim, which
34 is a CIP Amendment, parts of it will be used for Marlborough Meadows. So we are
35 looking at the methodology for using that, and those are actually uses of PayGo or fund
36 balance for PayGo indirectly because they're not incurring debt to do that, must like
37 what the rating agencies are asking the County to do. We listen to what the rating
38 agencies say.

39
40 Councilmember Praisner,

41 So your reserves include a pot of reserve funds that are for known issues that are
42 coming up that would still -- you're still heading for the goal of 10% reserve?

43
44 Tom Traber,



May 8, 2006

1 That's correct.

2
3 Councilmember Praisner,
4 And you think you're at 6% of that piece. But in addition you have set aside some funds
5 in, say, a special fund reserve that's associated with some known costs that are coming
6 forward such that it won't incur debt to have that set aside?

7
8 Tom Traber,
9 Absolutely correct. Right, and it won't impact the rates, that we won't have to go dip into
10 that. So yes, absolutely correct. It's an identified use of the reserve.

11
12 Councilmember Praisner,
13 Identified use. Thank you.

14
15 Marc Lieber,
16 If I can just jump in, this has been raised at the Commissioner level and I can tell you
17 the Montgomery Commissioners are eager to be getting into the meat of some of these
18 overall policies. What Mr. Price brought up is really a generational issue. You've got
19 current rate payers paying for a benefit to future rate payers. So that's a political and
20 policy judgment that we'll certainly be talking with the Council about.

21
22 Councilmember Floreen,
23 With that, the last item on the Operating Budget, really, is strategic planning. And I'll just
24 note on Circles 25-35, you can see the action items that are before the Commission
25 with time lines and things like continuous improvements of the Permitting System, and I
26 think that speaks well for their commitment to taking action and improving the overall
27 production.

28
29 Council President Leventhal,
30 Mr. Knapp had a question.

31
32 Councilmember Knapp,
33 Thank you Mr. President. Just on the strategic plan piece, on item one -- first of all, just
34 commend you for the strategic plan. It looks good and I like the measurable items you
35 put forward with it. You -- in redesigning and coordinating kind of the performance
36 reviews back with the fiscal year, have you done that for this year or will that come into
37 play starting FY '07.

38
39 Tom Traber,
40 We'll realign it to commence fully in FY '08. We'll have all managers on the new cycle
41 for FY '07. So in the Company -- or the accounting perspective -- all department heads
42 and division heads and section heads will be on the new Fiscal Year Performance
43 Management System effective 1 July.



May 8, 2006

1 Councilmember Knapp,

2 Okay, so you've started this year, so you'll add all your objectives this year and then will
3 actually do the measurements starting next year?

4
5 Tom Traber,

6 That's correct. That's why we picked 1 July, so all measurements for '07 are in all
7 Managers' Performance Evaluation System...

8
9 Councilmember Knapp,

10 And do you right now have a -- let's see, I see item that number three is modify rewards
11 and recognition system. Do you have that -- is that a program that you're using right
12 now or is that to enhance it to go online with your modification to your new performance
13 appraisal program?

14
15 Tom Traber,

16 Well, we've been working that from a benchmarking sense and best practice sense in
17 '06. In '07 we'll be deciding our road ahead. That compensation and incentives and
18 awards and recognition is a very challenging area. We have existing incentives for
19 some of our workforce and not all, and what we've found and experienced over time is
20 that's starting to split our workforce and we've just completed a look-see on
21 benchmarking. And a list of coming attractions for our Commissioners, in particular, is
22 what is WSSC's compensation philosophy? By decision -- I stress by decision because
23 to some extent, our existing compensation philosophy has been crafted by practice and
24 incremental decisions over the last five or six years.

25
26 Councilmember Knapp,

27 As opposed to setting out an objective and saying, "Here's where we want to get to"?

28
29 Tom Traber,

30 Correct.

31
32 Councilmember Knapp,

33 Ms. Praisner is Chairman of our MFP Committee, and the committees have actually
34 looked at the whole gainshare concept. And I'd love to get any feedback that you have
35 as far as practical implications that we can send along so that we can look at it more
36 closely in the coming year.

37
38 Tom Traber,

39 Certainly as we progress down our path, we'll be very happy to share that.

40
41 Councilmember Knapp,

42 Yeah. That'd be great. The other question I had was looking at items seven and eight,
43 where you really talk about customer service and improving the customer service
44 outreach. Clearly we're doing that with one of our other agencies right now and they're



May 8, 2006

1 trying to put pieces in place. Do you have specific criteria that you're looking at to
2 improve website capability to enhance customer service? How do you actually begin to
3 see how that's working? How you are actually improving customer service by making
4 those website enhancements?

5
6 Tom Traber,

7 Let me answer that rather than a 10,000-foot view, the 100,000-foot view. I'm very
8 pleased to note that our new Director of Communications and Community Relations'
9 first day of work is today.

10
11 Councilmember Knapp,
12 Okay.

13
14 Tom Traber,

15 And we are consolidating communications and community relations under one
16 individual, 26 years in the Washington, D.C. media area coming from a major television
17 station. Now to move down a little bit. We've taken the first step on our website design,
18 which was really a small step, but significant for us in that within the last six months, the
19 whole appearance of it has changed. What our new CIO, however, has brought to our
20 attention is the platform that the website rides on is no longer supportable by Microsoft,
21 et cetera, so we have to change the entire platform. We have a lot of work to do in that
22 regard.

23
24 Councilmember Knapp,

25 Okay. Again, I would like to see kind of how you proceed with this one. One of the
26 things that we see a lot of is redesign of websites and the implication is that by
27 redesigning the website all of a sudden we're going to have something that's more
28 accessible or is better for customer service. But I haven't seen many points that show
29 how this change actually gets you to better customer service. I think you can, but I don't
30 know if we've actually come up with great ways to measure it. And so as you start to do
31 this, I'd like to see it because we're looking at it with Parks and Planning, as well as
32 other departments and agencies. And so just to get a sense of what your practices are
33 and how you've decided to go one way versus another.

34
35 Tom Traber,

36 Well, let me give you just one example. We're at the first 25% of putting our permits on
37 the website so that our master plumbers no longer have to come in to the building, in to
38 the counter, and get a permit. They can do that by the web. That's one example we're
39 working hard on right now.

40
41 Marc Lieber,

42 Mike, if I may? Sorry.

43
44 Councilmember Knapp,



May 8, 2006

1 Sure.

2
3 Marc Lieber,

4 We haven't had the Commissioners actually vote on what the future vision is for all the
5 web-based capability so I'm going to give you the view of one Commissioner, myself.
6 Customers should be able to pay their bills on the web, see their water utilization on the
7 web. Those are two very, very big customer service things right there. And we have
8 asked the General Manager to look into doing this pretty darn quickly. That would be a
9 measurable customer service impact. After that, the really grand measure is to be
10 putting a lot of our internal service on the web. So that imagine somebody, a WSSC
11 employee, inspecting a pipe and being able to access all of the history, the maintenance
12 history of that one location sitting there with some sort of a hand-held instrument
13 standing on a street corner. That's an example of where the grand vision is. But again,
14 we're a long way from there right now, but that's where we're headed, I hope.

15
16 Councilmember Knapp,

17 No, that's great. The other thing that I was struck by is looking at item number four,
18 which is raise the level of customer service from satisfaction to delight. I commend you
19 for even identifying that. Delight, I like that.

20
21 Council President Leventhal,

22 I feel so good when my bathroom works the way I want it to.

23
24 Councilmember Knapp,

25 But no, I think that's important for us to continue to focus on. I think a lot of times, from a
26 government perspective, we're happy that people are satisfied, and I think we need to
27 focus on delight, but I'm also curious as to how you're measuring that and what are the
28 steps you're taking. I think some of the things you just pointed to, Marc, are going to be
29 good, although I'd be curious to see if that gets people from the satisfaction to the
30 delight phase. But the fact that you've laid that out as a goal, that customer service --
31 exceeding customer service measures or expectations I think is very significant and I
32 look forward to how you proceed on that and hearing your updates.

33
34 Marc Lieber,

35 Will do. Thank you.

36
37 Councilmember Knapp,

38 Thank you very much.

39
40 Councilmember Praisner,

41 Mr. Perez, did you want to...

42
43 Councilmember Perez,

44 Were you done Ms. Floreen?



May 8, 2006

1
2 Councilmember Floreen,
3 Nope.

4
5 Councilmember Praisner,
6 Okay. Well then, continue.

7
8 Councilmember Perez,
9 Yeah, I'll wait for you.

10
11 Councilmember Floreen,
12 Well, there aren't too many additional points to cover. With respect to the capital budget
13 follow up, there is revision to the Blue Plains project to reflect more recent information in
14 the DC WASA budget. This is good news. It's estimated that the '07 operating expense
15 will be reduced in associate debt service by about \$305,000. Then as I said earlier,
16 there are two additional capital improvements programs issues. First is the Anacostia
17 storage facility. This is a new Prince George's County sewer project that's a result of
18 facility plan completed in response to the overflow consent decree. This will eliminate
19 weather-related sewer overflows in Anacostia and the total project cost is \$32 million.
20 Let me ask a question about these capital program issues. They have been approved
21 by the Commissioners. Is this the sort of thing where it's an amendment to your capital
22 program? Is this in the Commissioner's budget for the both counties to approve at this
23 point?

24
25 Keith Levchenko,
26 Right. These projects were not ready for inclusion back when the CIP was originally
27 transmitted to us. But since then, the Commission has formally transmitted these to both
28 Councils and they will require action at the bi-county meeting.

29
30 Councilmember Floreen,
31 If the Councils do not agree, are these thereby included in the budget?

32
33 Keith Levchenko,
34 I believe the default mechanism goes back to the original CIP request.

35
36 Councilmember Floreen,
37 Without these?

38
39 Keith Levchenko,
40 Correct.

41
42 Councilmember Floreen,
43 Okay, I just wanted to find out. So there's that. That's the first one, the Anacostia facility.
44 The second one is the septage discharge facility study, which I find interesting because



May 8, 2006

1 I'd never seen the term "septage" before. This addresses alternatives for managing
2 septage discharge, which is how people clean out their septic systems, basically.
3 Currently, this waste is discharged at four locations; one in Montgomery County and
4 three in Prince George's County. And the study will review issues and concerns and
5 future projects associated with this effort. And this study will cost a little over a million
6 dollars. The committee recommends inclusion of both of these in the capital budget.
7 With respect to revenues, WSSC, as I said is proposing a 3% increase and will
8 generate about \$10 million in additional revenues. And they assume that water
9 production will be about -- what's an MGD?

10
11 Unidentified Speaker,
12 [INAUDIBLE] Million gallons per day.

13
14 Councilmember Floreen,
15 1 million gallons higher than assumed in the current year. With respect to the system
16 development charge, the budget assumes no change in the rate. However, it proposes
17 increasing a potential maximum rate, as permitted under state law. Technically
18 speaking, we have not -- they have not increased this rate over the -- I guess it's over
19 the past seven years, right? But in the future, it would be possible to make a significant
20 increase as a result of that, in the rate for system development charge fees. But
21 currently that is not before us. Just simply the opportunity to do that is presented and we
22 recommend approval for that. As you may recall, there was an issue associated with
23 service development charge exemptions in Annapolis this year, but that bill did not
24 pass. Finally, with respect to expenditures, salary and wage costs are about 13% of the
25 total expenditures, an unbelievable percentage compared to the rest of government, but
26 it focuses -- it identifies the fact that this is a construction operation and less in an
27 employee cost-driven operation. The numbers for salary adjustments we see as in line
28 with government generally and we support the compensation proposals. Finally, the
29 issue, as I said earlier, had to do with the reorganization of the I.T. Department at
30 WSSC. And why don't I ask Mr. Brunhart to speak to that? I suspect this is the point
31 Tom wanted to comment on. Is that right, Tom? Yeah.

32
33 Andy Brunhart,
34 You are correct.

35
36 Councilmember Floreen,
37 So why don't I let you speak to this, Andy, and then you can have your comment. This is
38 the -- the committee recommends generally the budget and supports what's before the
39 Council today. Would you go into some detail on this?

40
41 Andy Brunhart,
42 Certainly.

43
44 Councilmember Floreen,



May 8, 2006

1 Because we spent a lot of time in committee and I think the whole Council is interested
2 in this.

3
4 Andy Brunhart,

5 We did. Let me start by saying that anytime one, as a Chief Executive or a governing
6 body as the Commissioners, consider in great detail an action of this magnitude when it
7 effects people, as this one does, those are about the most difficult decisions that a Chief
8 Executive and a governing body have to make, as I'm sure you're aware because you
9 make them virtually every week as well. So we're very mindful of the people effect. In
10 essence, WSSC in its I.T. capability and competencies is far behind, far behind our
11 industry. We are running old mainframe systems, 10- to 15-year-old legacy systems.
12 We have major gaps in dependencies one each consultant for major system. We're not
13 aligned to service our business lines and we're not aligned by a best in industry standard.
14 What we did is, when I first came on board, the Commissioners gave the company four
15 top priorities. Improving I.T. was one. We did a nationwide search to find a new CIO.
16 We found him amongst over 300 candidates and were successful in attracting him. His
17 first order of business, other than the first 30 days of getting used to us, was he had 90
18 days to do a major assessment -- which he did -- to chart the road ahead for I.T., to
19 create a best-in-industry, Water Industry I.T. Department. He briefed that initially in
20 concept in December to the Commissioners and there was much more flushing out to
21 do. He was given the go ahead to flush out the details. He briefed that to the
22 Commissioners in February, which explains the reason why it was a post-budget
23 submission. And at that time, the Commissioners voted unanimously and directed me
24 and the CIO to execute the plan. And we're at a pace to do that. A significant
25 restructuring involved there would be a completely new structure at WSSC in our I.T.
26 department. Every position is a new position with a new position description. We have
27 followed our process by statute and our internal process exactly. I think the Council is
28 aware that we requested, per our statute, approval of the State Budget Office for
29 abolishing merit positions, and that approval was given. Subsequently, there was a
30 question by a delegate of Prince George's County and the State Attorney General as to
31 if our action was proper. And the State Attorney General's office has sustained our
32 action. So we -- contrary to some communications out and about, we have never
33 delayed or stopped from the moment that Commissioners gave us direction to proceed.
34 Fundamentally, the new organization, which I think is on Circle 49 in your packet,
35 moves to a pay-banding system. Essentially all but three of the positions will be
36 employment contract in tiers, Tier "A" through Tier "E." I would commend to you that this
37 is in alignment with what we benchmarked as best-in-industry for I.T. departments. On
38 the left-hand side you will see application development that does not exist at WSSC
39 today. You can look down the organization and see dedicated staff, flexible members
40 assigned to each major department to work their I.T. issues, primarily their application
41 development. Without going through the great detail, you can look on the right and you'll
42 see divisions and sections which do not exist in our organization today. For example,
43 Governments or Quality Control. They don't exist at all today in the organization. So left-
44 hand side application development, right-hand side infrastructure support. That's how



May 8, 2006

1 best-in-class I.T. departments are organized today. Where we are on pace is when we
2 benchmarked, we found several things. One thing we found is that Washington, D.C. is
3 one of the most robust, highly-paid I.T. markets in the nation. In order to retain and
4 attract in the long-term I.T. knowledge workers -- our Merit System salary base is not in
5 sync with that, so that's why we chose the pay-banding employment contract system.
6 Also ingrained in there is, under employment contract, an I.T. knowledge worker today,
7 in a function or category profession or classification or whatever HR word you want to
8 use, with technology doubling every 18 months, it is incumbent upon an I.T.
9 professional to keep up. To keep up their competency skills and talents. Some of our
10 I.T. employees have and some have not. Under employment contract mechanism, what
11 is given up by an employee is security, security of the Merit System. And what the
12 employee gains is higher salary and flexibility and the company gains flexibility and
13 agility. Incumbent then is also a mechanism for the company to assure that it's I.T.
14 knowledge workers do keep up and a mechanism to make make changes if they do not.
15 So fundamentally that's a quick introduction where we are. To use Carla Joyner's
16 words, from sense of longevity, we are in a position that we are between a rock and a
17 hard place. This company must move forward now and we've made that decision.
18 Certainly, we are not suggesting that this decision -- where the path we are on is right
19 for anybody else in any similar or any other set of circumstances because every
20 circumstance is different. But in digesting where we are, we are absolutely convinced
21 this is the right decision for WSSC at this time. And then one more moment, a capstone
22 of where we are, specifically as a matter of process, the Tier "A" positions have been all
23 through interviews and employment offers will be extended over the course of the next
24 ten days. Tier "B," those positions are just finishing recruitment. Those all close on the
25 ninth of May. And Tiers "C," "D," and "E" will all be advertised in the month of May. And
26 we are seeking to have this all done, as far as restructuring and people in place by the
27 end of July. And subject to your questions, that's a quick overview of where we are
28 today.

29
30 Councilmember Floreen,
31 Thank you. So go ahead, Tom.

32
33 Council President Leventhal,
34 Mr. Perez.

35
36 Councilmember Perez,
37 Thank you, Mr. President. Thank you, Madam Chair. This restructuring is premised,
38 apparently, on the notion that the only way you can attract the best and the brightest
39 people in the I.T. context is to abolish the Merit System and to eviscerate worker
40 protections. We're going to hear later this morning from Montgomery College, one of my
41 favorite people that I've met in the course of my tenure on the County Council. They
42 have a number of I.T. issues that we've discussed over the course of the last four years.
43 I have never heard, in the context of Montgomery College, or any other agency for that
44 matter, a discussion of the fact that the only way we can meet the I.T. challenges -- and



May 8, 2006

1 everybody's I.T. challenges are compelling, If we're not going to have state-of-the-art
2 I.T. infrastructure in place we're not going to be able to compete, whether we're
3 educating our kids at Montgomery College, whether we're educating K-12, whether
4 we're at the Department of Public Works and Transportation. Every office can make the
5 identical argument that you just made this morning, but you are the only office that has
6 decided that the only way to get there is to eviscerate worker protection and to eliminate
7 Merit System protection. As someone who spent 12 years in federal government service
8 working on I.T. issues with a fair amount of regularity, because they were always front
9 and center, I concede for the purpose of this discussion that you have I.T. challenges,
10 Let's not debate whether you have that. We're having a debate about how you address
11 that. Since I've spoken with you last, I have heard from -- I did not reach out to, but I
12 have heard from a number of your employees. I'm hearing a much different view of the
13 world than the view that you described in our last session and the view you've described
14 this morning. I would have appreciated a heads-up when you're going to do this before.
15 I never heard anything about it until it was a fete accompli. I don't think any of my
16 colleagues heard about it until it was a fete accompli. Is think that was a mistake to
17 embark on something as radical as you have done without giving people a heads-up
18 and letting them know, just as you did appropriately when you got your report on your
19 MBE program, and we had a conversation about it and we had some very frank
20 feedback for you. And I think the feedback was useful, I would respectfully observe. Or
21 at least the feedback of my colleagues. I'll concede for the moment that maybe my
22 feedback wasn't as useful, but I think the Council feedback was useful. And I think the
23 Council feedback in this context would have been useful. I have spoken with my
24 counterparts in Prince George's County, a number of whom share my concern. And I
25 asked them the same question, "Were you aware before it was a fait accompli?"
26 Answer, "No." So I think the process broke down in the course of this. And I think, on
27 the merits, you're going on a very dangerous road. I really do not believe that there is
28 anything that is at stake here in the I.T. context that requires this draconian measure, in
29 which you are basically telling people we're going to eviscerate your protections in order
30 to address a problem. What is next? That is the question that I am getting asked by
31 people and I say to them it's a very fair question, because today it's I.T., tomorrow who
32 knows what it will be within your agency. If you can define this as something where this
33 is the only solution, well, then I could easily articulate on your behalf other settings
34 where you can say it's mission critical, We have a problem and this is the only solution
35 to the problem is to eviscerate worker protection. So frankly, my advice to those folks
36 who have been contacting me is join a union because that's the way you protect
37 yourself in this day and age. And I think the damage you have done to morale far
38 outweighs any perceived benefit that you find in terms of, quote/unquote, "efficiencies." I
39 know due process in the Merit Protection System is pesky, but that peskiness is a really
40 important part of what we're about. I think peskiness is good. I think those protections
41 are good and I don't believe that what you have done was in the interest of the rate
42 payers, in the interest of your employees. I'm not going to be hearing that from any
43 other person this week coming in to present their budget. And I'm having a lot of
44 difficulty figuring out why it is that water and sewer is so different that we have to have a



May 8, 2006

1 different set of rules of engagement in water and sewer. I can't for the life of me --
2 meaning no disrespect to the critical mission you carry out, but everybody else carries
3 out a critical mission in this County. And I, for the life of me, can't figure out why you are
4 so different that you have to have a different set of rules of engagement. I just don't get
5 it. And I think you're going down a road that has opened up some real festering sores. I
6 think there were other things you could have done. I absolutely concede that the I.T.
7 issue is an important issue, that's not what I'm saying. I'm simply saying that you took a
8 solution to this problem that didn't involve consultation with respective bodies who have
9 a dog in this fight and an interest in this outcome, and you implemented a solution that
10 you're going regret. And I hope they form a union next week. And I'll be out there with
11 them, because I think you all really screwed up.

12
13 Council President Leventhal,

14 I just want to comment before the GM. I know he may or may not want to respond to Mr.
15 Perez. We're going to be spending a lot of time with you this week, Mr. Brunhart, and
16 we're going to have some private conversations one-on-one and we're going to have
17 meetings with our counterparts in Prince George's. And we're being asked, and our
18 Montgomery County Commissioners are being asked to defend the integrity of a
19 number of processes and to have confidence in your leadership amidst a lot of concern
20 on the Prince George's side about whether we can have confidence in your leadership
21 with respect to implementation of the Small and Minority Business Program. The
22 position from this County has been that we believe in a process. We believe in making
23 decisions based on merit. We're very concerned about irregularities that might not be in
24 the interest of the rate payer and that might lead to favoritism. The reason there is a
25 Merit System is it precludes favoritism. And when we go to a situation where dozens
26 and dozens of staff are essentially at-will employees, then the risk exists of favoritism.
27 And so on the one hand we're trying to protect WSSC from going down the wrong road
28 and from making major financial decisions with significant implications for rate payers
29 on the basis of favoritism. But on the other hand we're being told by the General
30 Manager, "Well, in this case, we couldn't have the regular procedure. We had to let go
31 of dozens of employees because we just had to." And it suggests an arbitrariness and a
32 somewhat autocratic approach that makes it harder for us to defend the Office of the
33 General Manager when it comes to an attack on your office with respect to a
34 reorganization of your organizational chart. So it's a little hard for me, and I'm in a
35 prominent position here, trying to negotiate between the two counties, to state that we
36 know that the General Manager is going to make fair decisions based on merit. And we
37 know that the General Manager will fairly carry out the MBE responsibilities that you're
38 being criticized for not being able to fairly carrying out, when this other rather abrupt and
39 surprising and very irregular move has been taken. So I'm trying to assess, with not a lot
40 of information where we stand with the agency, and the decision on I.T. took a lot of us
41 by surprise and makes us wonder how strongly we can defend you -- you're a new
42 person here, we don't have a long-standing relationship with you -- when the Prince
43 George's Commissioners are stating that they don't have confidence in you to
44 implement the MBE program, and we're trying to defend you and defend your



May 8, 2006

1 prerogatives there and defend a Merit System there. So I'm trying to bring together, in
2 my mind, how those principals can be reconciled and it's all coming to the fore this week
3 as we prepare for our bi-county meeting with our counterparts in Prince George's
4 County. I'm going to entertain any other comments from Councilmembers on this point
5 before the General Manager responds. Mr. Subin, you had your light on.

6
7 Councilmember Floreen,

8 Well, let me just ask, there has been a request for an opinion on this subject. Has there
9 been an opinion issued?

10
11 Andy Brunhart,

12 You mean from the State Attorney General?

13
14 Councilmember Floreen,

15 Yes.

16
17 Andy Brunhart,

18 Yes, it has been. A Letter of Advice has been issued that sustains our action.

19
20 Councilmember Floreen,

21 That's different from the letter from the Department of Budget and Management?

22
23 Andy Brunhart,

24 Yes. The letter from the Department of Budget and Management is in response to our
25 request, as a procedural matter, to abolish classifications of jobs. The Letter of Advice
26 from the State Attorney General's Office was in response to a delegate's letter querying
27 about our actions. And the State Attorney General's office has responded to that. I
28 provided a copy to the Staff Director and Executive Staff. That Letter of Advice was
29 issued on a Friday -- I don't remember the date -- in April. And as of that next Monday or
30 Tuesday, I provided the staff a copy.

31
32 Councilmember Floreen,

33 Is it in our packet?

34
35 Keith Levchenko,

36 It is not in this packet.

37
38 Council President Leventhal,

39 The A.G.'s response we have not seen.

40
41 Keith Levchenko,

42 It was circulated, I believe, to Councilmembers via e-mail last week, I believe.

43
44 Councilmember Floreen,



May 8, 2006

1 Well, maybe you can provide us with a copy.

2
3 Keith Levchenko,
4 We can recirculate it.

5
6 Councilmember Floreen,
7 Yeah, okay.

8
9 Council President Leventhal,
10 Mr. Brunhart, did you want to say anything further in response to Mr. Perez or to
11 me?

12
13 Andy Brunhart,
14 I do.

15
16 Council President Leventhal,
17 You have the floor.

18
19 Andy Brunhart,
20 Number one, I was specifically brought in with no ties to myself from outside the area,
21 and chartered to make change at WSSC. That's what I've been tasked to do and that's
22 what I'm doing. The strategic plan that we have, in a collaborative and participative
23 manner, put together is in the first year of really a three- to five-year road to take a very
24 financially sound but quasi at-rest agency and move it back to where it was 15 years
25 ago, as one of the best commonly known in the nation. That's the course we're on. The
26 three or four imperatives I was given initially by the Commissioners was improve I.T.,
27 improve acquisition and the Small Local Minority Business Program, improve Human
28 Resources, and reach resolve and implement the consent decree for Sanitary Sewer
29 Overflow. Change is difficult. Change impacts people. And now there is a sense of
30 history. Change has been attempted many, many times previously at WSSC. And
31 experience indicates that there has been a variety of push-backs. And the
32 Commissioners and I, in making the I.T. decision, fully understood there would be push-
33 back in various mechanisms. But the Commission has hired an individual who will
34 sustain the course once I'm directed to do something, which I have been done
35 [INAUDIBLE]. And I understand Mr. Perez's point of views. In committee, we previously
36 had a dialog and frankly, we had agreed to disagree on this point. Or at least I agreed to
37 disagree with Mr. Perez. You brought up MBE. How do you measure success? What is
38 victory in a Minority Business Enterprise Program? I've recently asked that very
39 question of two or three folks involved in those programs. At the present time, the only
40 measure of success at WSSC is our achieving our goals in minority and small business
41 contracting in the categories of construction, which is voluntary [INAUDIBLE] and
42 professional services and goods and services. [INAUDIBLE] three of four of those
43 categories have exceeded goal year-to-date. And the one that isn't, which is
44 professional services, is really a minor point, \$4 million, meaning volume of our total



May 8, 2006

1 dollar value in the contract annually. If you add up our total dollars with contract
2 [INAUDIBLE] versus those that are actually sent -- awarded to minority enterprises, it's
3 over 20%. So if there is friction points and discussions of leadership at the MBE
4 Program, FY '06, by our [INAUDIBLE] is a success to date. I don't know if the Chair
5 would like to comment on that as well, but before I -- I'm not trying to put the Chair on
6 the spot. But before I also comment on that, Mr. Perez and I also previously disagreed
7 on the word "only." I speak from the backdrop of one year of experience in our I.T.
8 department and the opportunities our I.T. employees have had. Carla Joyner speaks
9 with much more credibility, from a 20-year backdrop and personal observation
10 experience over the last five years of our course in the I.T. department. And I want to
11 ask Carla for just two or three minutes to give you a sense of history, recent past five
12 years in our I.T. Department. Carla?

13
14 Carla Joyner,

15 Thank you, Councilmembers. Thank you, Andy. And good morning, since I haven't
16 spoken to you yet. This situation that we're in today is a really difficult and hard one that
17 we find ourselves in. I guess you can call it a bitter truth that we have to just take the big
18 pill and swallow it. What we've done over the last five years is we've had two re-
19 engineering of our I.T. department. Once we had recommendations coming from each
20 one of those re-engineering processes, each time deficiencies in skills were identified. I
21 think when we went through the second re-engineering process, before we got through
22 the entire implementation of the recommendations, the CIO at the time resigned. And
23 when those -- the second time when the employee deficiencies were identified, the
24 employees said -- we told the employees that they had two years to bring their skills up
25 to speed. And actually that's not an unusual request or directive that we would give
26 employees. We did that in the customer care team. When we expected employees to be
27 able to operate certain heavy equipment and have Commercial Driver License, we gave
28 them two years to get that. And those that didn't get those licenses within two years
29 were either demoted or terminated. Nobody was terminated because everybody made
30 sufficient progress to get CDL licenses. There were a couple of people, because of
31 health reasons, that were demoted until they could pass the test. So that -- we followed
32 a common practice. Then we had -- under the last General Manager's tenure, we had a
33 consultant come onboard and the consultant identified a lot of deficiencies in the
34 program, as we knew we had, and we again told the employees where they stood and
35 what needed to happen in order to bring our skill levels up. A lot of the things that we
36 implemented in other CAP programs were dependent on various I.T. improvements.
37 And we did take some of the work-year reductions without those improvements and we
38 caused the rest of our workforce a lot of stress because they had to do much more than
39 they were expect to do because of the promises of I.T. coming onboard with some
40 improvements. The next thing that we did was that we had actually consultants in
41 various areas working side by side with our I.T. employees and we asked them to gain
42 those skills, learn in those partnering arrangements. That didn't work either. What we
43 found was that instead of I.T. employees gaining those skills, what they did was they
44 shifted the work to the consultants. And we found ourselves in the very difficult position



May 8, 2006

1 of having only one person, a consultant, being proficient in our billing system, in our
2 Oracle financials, as well as our geographic information systems; all critical systems for
3 us to do our business. And so -- and we've even had all-employee meetings where
4 people would give us feedback about how they were progressing, where the I.T.
5 employees would give us feedback. And one time I recall very vividly an employee said,
6 "You know, I'm here to retire. I don't want to learn anything else new and I don't plan to."
7 Which was a very disheartening thing to hear, given that we were trying to progress and
8 get work done. So we couldn't fully implement CAP initiatives. We're having difficulty
9 achieving some of the initiatives you see in our current strategic plan because of I.T.
10 and I think that we've had plenty of opportunities extended to our employees to come up
11 to speed with their skills. We did it to our customer care employees, asking them to get
12 proficient in two years. They took heed to those instructions and came up to speed and
13 I.T. did just the opposite, actually kind of told us they didn't want to do it. They wanted to
14 remain in place for a while. And that's not every employee. The last point that I'd like --
15 not every employee said that. I don't want to give that impression. But some of that the
16 employees gave that feedback, I'm just here to retire. The last point that I want to make
17 -- actually there are two more, but the next one is that we do think that there are a lot of
18 skilled employees in our current I.T. department, that they're probably buried below, in
19 many layers below the current top leadership. And we do expect that many of them are
20 going to compete successfully for the new jobs. The last thing is that not only have we
21 not been able to come up to speed and actually implement a lot of the CAP initiatives,
22 we've also wasted a lot of money over the years. You can come and look in inventory
23 and see laptop computers, ruggedized computers, describing what Commissioner
24 Lieber said earlier about being able to process work and look up things in the field,
25 where we actually weren't able to have our I.T. staff get those tools ready for our field
26 staff to use. And you'll see hundreds of thousands of dollars worth of materials on the
27 shelf and all kinds of other things that we have not used, but purchased, sitting on a
28 shelf. We don't want to continue to get the same result the that we've received all along,
29 which have not been very many -- not good progress. We have tried different things.
30 And I realize that there are many, many solutions to any problem and I think that we've
31 exhausted many of those solutions. I don't know what else to do except for possibly
32 outsourcing everything. I just -- I'm not really sure what else we could do at this point in
33 time. We're in a situation where we have tried many, many different things, given
34 opportunities to execute training, give money for employees to go back to do that, and
35 very few have taken advantage of that. So that's where we've been.

36
37 Council President Leventhal,

38 Okay. I'm getting a little concerned about time. We have the distinguished President of
39 Montgomery College here and her senior staff and I want to keep things moving. I know
40 Mr. Perez has some further comments on this point. What I want to suggest is, with
41 respect to the retention of some employees, you've said, Carla, that you think some
42 number of them will compete successfully That at this point, WSSC keep us very closely
43 advised, certainly through the T&E Committee, if the Chair agrees with that. And if I can
44 suggest to the Chair that we have an update on this. But I just want to reiterate, most



May 8, 2006

1 especially to the Chairman, that you know, our last group of Commissioners surprised
2 us by voting to terminate the General Manager. And we were very unhappy that we
3 hadn't been advised ahead of time. And it caused a great deal of friction between the
4 Montgomery County Council and the Montgomery County WSSC Commissioners. And
5 I'm very glad that Mr. Perez has raised this point for the benefit of those colleagues who
6 had not already heard the conversation on the T&E Committee because this is
7 unprecedented, to my knowledge. And I would not suggest, and I'm not saying that this
8 was your first step, Carla, I heard what you said. But certainly in future, where we have
9 a problem in a department, just firing everyone and turning the whole unit into a contract
10 unit -- dozens, several dozen employees, it's a very drastic step. It's not something that
11 other agencies have done. Now, you've described the sequence of events that led you
12 and Mr. Brunhart to this decision. Unfortunately, you've illustrated it with one anecdotal
13 example. I have to believe that where you have a recalcitrant employee or a few
14 recalcitrant employees, I will always believe that there have to be other ways of dealing
15 with some who won't go along with the program, rather than firing everybody and giving
16 everybody a chance to recompetete for a job that doesn't have the job security of their
17 previous job. It's a pretty radical step. It's something that our Commissioners might well
18 have let us know was coming before the decision was made. I don't see an opportunity
19 to turn the decision around now. The decision has been made. WSSC is an
20 independent agency. We appoint the Commissioners, we can remove the
21 Commissioners, but once the Commissioners vote for something, they've voted for it.
22 We don't get in and redo decisions made by the Commissioners. But this is a really
23 very, very significant step and we're trying to defend WSSC, unfortunately every week
24 and every month amidst still a roiling political sea that's going to play itself out, as I
25 mentioned earlier, this week. So this just makes it harder for us to go to bat 100% with
26 full faith and confidence in the agency or in our own consultation with our own
27 Commissioners. Mr. Perez, let's try and close this topic, if we can.

28
29 Councilmember Perez,

30 I won't be long, other than to say in my last job in the government, I took over an agency
31 that had some challenges. And we had some employees that are like the example you
32 described. We had a process. We had Performance Improvement Plans. You
33 remember the PIPS, Ms. Praisner?

34
35 Councilmember Praisner,
36 I sure do.

37
38 Councilmember Perez,

39 You know what? It wasn't easy, but it was a fair process. And I don't know why you can't
40 do that there. I'm not persuaded by anecdotes of people who say that. And I fear that
41 you paint with an overly broad brush. I do not deny the existence of an I.T. challenge.
42 I'm simply saying you could have done it a different way. And from the mail I am getting
43 unsolicited -- unsolicited -- you all are underestimating the degree of fallout across the



May 8, 2006

1 agency. Let me ask one final question, have you had any discussions about doing this
2 in any other office of the WSSC?

3
4 Unidentified Speaker,
5 Let me respond to that. No.

6
7 Councilmember Perez,
8 Let me ask Mr. Brunhart. Have you discussed with your senior leadership taking this
9 action in any other division of WSSC?

10
11 Andy Brunhart,
12 No.

13
14 Councilmember Perez,
15 Do you intend to do so in the next year?

16
17 Andy Brunhart,
18 I wouldn't categorically say no. It depends upon what the Commissioners direct me to
19 do as a result of the two assessments coming up.

20
21 Councilmember Perez,
22 Then let me ask Mr. Lieber. Do you intend to direct the General Manager to look into
23 this possible approach in any other aspect of WSSC in the next year?

24
25 Marc Lieber,
26 We have no plans. I'm not going to categorically say that we won't discuss that topic.

27
28 Councilmember Perez,
29 You're making my point for me. That is why all the employees are scared, because what
30 you've said here is probably not, but everybody, be on your guard. And that's the morale
31 problem you all have created. I've got nothing further.

32
33 Marc Lieber,
34 May I make just a couple points? And then I do recognize, Mr. Leventhal, the interest of
35 time. The one basic point is this was a unanimous decision by all six Commissioners.
36 And in my own opinion -- and again, Mr. Perez, you and I may just be coming to
37 different judgments on this -- it's not just a matter of, yeah, we've got an I.T. challenge
38 and there is a whole bunch of ways we could go about this. The I.T. situation at WSSC,
39 in my judgment -- and again, this is a unanimous decision from six Commissioners from
40 two Counties -- was so bad that we really needed to fix it and fix it fast. The three
41 Montgomery County Commissioners come with a substantial degree of I.T. experience.
42 I was working on an I.T. issue in the cafeteria right before coming up here. This is
43 something that I literally do on a daily basis. I can tell you that I'm very, very comfortable
44 with the solution that we came up with, as were all six Commissioners. If we were --



May 8, 2006

1 and again, I don't want to compare us to Montgomery College or any other County
2 organization -- I can tell you that my experience in the federal government is that they
3 contract out this stuff. There is a very, very significant amount of reliance on contractors
4 for strategic I.T. improvements, whereas we are doing a lot of this internally. We might
5 contract out a specific software program or one specific thing to a contractor, but the
6 model that we have in front of us is for application development and testing to be done
7 internally. And the model that I'm very, very comfortable with, and that is with people
8 whose job security comes from their I.T. skills. That's the model that, again in my
9 judgment and unanimously by Commissioners, that we came to. I'm happy to talk about
10 this much more and that's the point that I'll close with. I do recognize that we didn't
11 consult with the Council on this point. I think Ms. Floreen will attest, we've been in very,
12 very close touch with the Council on a wide variety of issues and we didn't on this one.
13 And I'll take responsibility for that one. We probably could have. We had what I felt were
14 legitimate reasons for not doing it, only because once it's announced, then all sorts of
15 stuff happened and we wanted to make sure the vote happened. And so immediately,
16 as the vote -- immediately when the vote happened, that's when we informed. I do
17 apologize. It was a fete accompli by the time we communicated.

18
19 Council President Leventhal,
20 Any closing words, Chairman Floreen?

21
22 Councilmember Floreen,
23 I just wanted to say thank you to Mr. Lieber and please convey our appreciation to our
24 Commissioners for their hard work. We know that this bi-county institution is a challenge
25 of different counties and different perspectives as to problem solving and I commend
26 you on your leadership as Chair and we wish you well. And Keith, let's put on our
27 agenda, maybe in July, an update on this. That's the committee report.

28
29 Council President Leventhal,
30 Okay. Ms. Praiser, did you have a comment on WSSC?

31
32 Councilmember Praiser,
33 Yes, I'm sorry. I just wanted to comment that I'm not going to indicate, one way or
34 another, negative feeling towards the budget in front of us, but what transpires the rest
35 of this week, as far as WSSC is concerned, will give me guidance as to what I do when
36 the two agencies are together. So I'm putting folks on notice.

37
38 Council President Leventhal,
39 Noted. Okay, Chairwoman Floreen, anything else on the WSSC budget?

40
41 Councilmember Floreen,
42 Nope, that's it. Thank you.

43
44 Council President Leventhal,



May 8, 2006

1 Good. Okay, thank you, Mr. Brunhart, Chairman Lieber, Carla, Tom, everyone else. I
2 just want to let my colleagues know that I've asked -- what we're going to do now is
3 we're going to move to the Montgomery College budget. I think Chairman Subin is
4 nearby. And here he is. But what I wanted to do, just very quickly, is let my colleagues
5 know I've asked Steve Farber to spend 10 to 15 minutes -- this will come after the
6 Montgomery College budget, without objection -- just to walk us through the overall
7 situation. We've got a tracking list. We've got some pots of money that may be
8 available, pots of money that may not be available and I just thought it would be useful
9 for all of us. I know we all read our memos over the weekend, but I thought it would be
10 useful if we could just have a quick oral walk-through in very brief format after Dr.
11 Nunley is through. And so to my friends from Liquor Control, there will be a slight delay
12 before we get to that. Dr. Nunely, welcome. Nice to see you. Chairman Subin, you have
13 the microphone.

14
15 Councilmember Subin,

16 Thanks, Mr. President. Before I see if Dr. Schoenberg or Mr. Counihan has anything to
17 say, I do want to note that I've been in extreme denial, but Ms. Floreen points out to me
18 that this may or may not be, depending on certain timing, Dr. Nunley's last budget here.
19 Hopefully there will be one more, hopefully there will be a change of mind and there will
20 be several more. But in any case, we do today face the very unsavory possibility that
21 this could be her last budget, and I, for the record, find that a tragedy. Dr. Schoenberg?
22 Mr. Counihan?

23
24 Robert Schoenberg,

25 Am I alive here? Yes, I guess I am. Thanks very much for the opportunity to say a few
26 words. We are very glad to be here under the circumstances that we are. And I think
27 that the great majority of years, we've been glad to be here, which bespeaks our
28 appreciation to the Council and the Executive for the faith that they have kept with the
29 College over the years, and we hope that our performance has repaid that faith. As in
30 other years, you have before you a budget on which we have exercised substantial
31 restraint. We had recommended to us as possibilities another five-plus million dollars'
32 worth of improvements. What you have before you, with one notable exception -- which
33 I'll speak of in a moment -- represents, pretty much as in other years, a kind of what-we-
34 have-to-do budget. We do this year, for the first time in three years I think, have some
35 substantial -- have some reasonably substantial improvements. But we had a choice
36 this year -- and we were fortunate to be given the choice -- of asking for some modest
37 amount of additional improvements, making some in roads into that five and a half
38 million dollars, or finding it possible to have a year in which we did not ask our students
39 to pay more for their education than they have in the past. That was the trustee's first
40 priority. Raising tuition is never a happy thing to it do. We always squirm a lot before we
41 do it. Squirm is probably an understatement. This year we thought maybe it would be
42 possible to have sufficient additional funds from the County to avoid the necessity of
43 increasing tuition. We're very grateful to the Executive for having gone along with that,



May 8, 2006

1 and to the Council Education Committee for having agreed with that recommendation.
2 It's the first time since 1982 that we've been able to do that.

3
4 Unidentified Speaker,
5 That was a good year.

6
7 Robert Schoenberg,
8 That was a very good year, wasn't it, Marilyn? I don't know if the County thought that.
9 Some of us did. In any event, we hope that we can keep that intact. The Education
10 Committee allowed us some small inroads into that \$5.5 million and we are grateful for
11 that, but we come here feeling that we have done our best to constrain our requests and
12 are grateful to all of you for considering the funds that will allow us to keep tuition level.
13 Dr. Nunley?

14
15 Charlene Nunley,
16 I just want to add a couple of comments. I had really three major things I wanted to
17 accomplish before retiring, as I looked at the last year or so of my administration at the
18 College. The first was to do everything I could to secure an increase in the CAID
19 funding formula for Maryland's Community Colleges, because that positions the College
20 in an extremely positive way for the future. And I am so pleased that our delegation took
21 the lead in getting the CAID funding formula increased over the next six years to 30% of
22 what the University System of Maryland is getting. So we were able to do that. The
23 second was that I wanted, for the first time in the College's history, to secure a building
24 program that would bring facilities to every campus of Montgomery College because we
25 need facilities at every campus to address the growth that we are achieving. And the
26 Governor's budget omitted the bioscience education center and the commons
27 renovation at Takoma Park. And again, with our efforts with the legislature, we were
28 able to get those two projects back. And so now for the first time in history, next year
29 we'll be planning a project for Germantown, Rockville, and constructing at Takoma Park
30 all at the same time. And I think, again, that positions the College extremely well for the
31 future. The third is I wanted to have one year in this administration, at least, where we
32 didn't have to raise tuition for students. That's sort of what I'd like to leave for the
33 students. And that's why I'm so very, very pleased by the budget that we are presenting
34 to you today. As you know, the legislature took action to not raise tuition at the
35 university system of Maryland this year. That was kind of interesting because
36 community colleges are the state's access vehicle for higher education and yet nobody
37 had the community colleges on that list. And we chose not to make an issue of that
38 because we wanted to secure the CAID funding increase, which we believe will help us
39 to restrain the growth of tuition for years into the future. It may not make it go away
40 entirely, but that kind of support should be very helpful to this Board of Trustees on a
41 more long-term basis than one year from the state perspective on that. So with your
42 help today, we'll hold the tuition growth this year. When I leave, the college will be in a
43 great position to have the kind of resources that should help constrain the growth in the
44 future. We'll have the kind of capital program we need for the college. And I will leave



May 8, 2006

1 with a very, very big smile on my face because Montgomery College will be in just a
2 wonderful position for the future.

3
4 Councilmember Subin,
5 Won't be a lot of people smiling back.

6
7 [LAUGHTER]

8
9 Councilmember Subin,
10 And take it personal when they don't smile back. Thank you. As Dr. Schoenberg and Dr.
11 Nunley have stated, this is really a steady state budget. There are no new initiatives in
12 this budget and it simply represents increases in costs of living and 12 additional full-
13 time professors -- more about that later though -- to keep up with the unacceptable 60-
14 40 ratio of full-time to part-time professors. Part of that 12 though were paid for through
15 the deletion of some part-time positions, so it wasn't a one-to-one. The request from the
16 college is \$178.9 million. The Executive recommended the same for their current fund.
17 The committee, at the direction of the Council, reduced that by \$100,000 to represent
18 their [SAG] cut. There was \$400,000 in county grants, \$350,000 for the plant
19 maintenance repair fund, \$12.2 million for workforce development, 5.2 in Auxiliary
20 Services, the Cable TV fund is in MFP recommendation, and the committee has, not
21 just historically, but I believe always, concurred with MFP's recommendation. \$2 million
22 for transportation. There are \$17.3 million in funds from federal, state or private sources
23 -- and there'll be a small discussion on that issue later -- and \$250,000 in a 50th year
24 endowment. So the total comes to \$216.7 million. Again, of which \$178.8 of that is in
25 current funds. The committee is recommending that number for you. That is an increase
26 of \$16.2 million or actually the packet says 10%, but I believe it's just under the 10%.
27 The way we get to the \$100,000 reduction is through increased delays in the hiring of
28 staff at the King Street Art Center. That is not scheduled right now to open up until
29 March '07. So all that's needed for King Street is one-quarter of a year of staffing. And
30 all that are just the staff. And while the college was not necessarily happy about that
31 reduction, I think they did recognize it was small and clearly something that can be lived
32 with. And given delays in construction, it may end up being a moot point anyway. So
33 who knows? There is one item directly related to the college that the committee has put
34 on the Reconciliation List. There'll be another measure regarding adult literacy that is on
35 the Reconciliation List, which I'll save that piece for later. But as I said earlier, the
36 college is planning on hiring 12 new full-time professors and that's simply to keep up
37 with the 60-40 ratio, given new enrollments. The committee has, and I know the college
38 has for a very long time, had as a goal 65% full-time faculty, as opposed to the 35%.
39 They have not been able to make headway. In fact, at last count, they were at 65-35
40 about 15 years ago or so, and slowly because of the budgets, come down to 60-40,
41 stabilized there. But the committee has voiced its concern that given the pressures on
42 the college right now, in terms of not only increased pressures in enrollment, but there
43 are two pieces of that pressure that are of concern. The first is more and more of those
44 students are full-time. Or if not full-time, they're spending more than the time to get on



May 8, 2006

1 campus, to take one course, leave, maybe come back sometime during the week for
2 another course, and then they're gone. So they're on campus two to four hours a week.
3 That is not true anymore. For reasons regarding what's going on at the State College
4 and the University System and people being forced down -- not accepted at the
5 University of Maryland and other places, and taking Montgomery College as the next
6 choice rather than going out of town. Related to that is the fact that a lot of these
7 students are immigrants and English is their second language. And many of them had
8 interrupted education. And so their need to have professors on campus full-time has
9 certainly increased and is far greater than before. So the 65-35 takes a much, much
10 higher priority, in terms of the needs, than it did before. The committee felt that we
11 couldn't get there for two reasons. One the college absolutely agreed with, which there
12 ain't no room at the inn to put them. So even if we were to put additional professors --
13 full-time professors there -- they would have to find room, most likely in portables and
14 take up some of the additional room that's needed on campus. The other issue is simply
15 the issue of what it would take to get there from a monetary standpoint. In order to get
16 there, we would need 30 professors, and that would be about \$2 million a year right
17 now. No, I'm sorry. [INAUDIBLE] And the room is not there within the budget to do that.
18 So what the committee is recommending is we phase that in over five years. The first
19 piece of that would be six professors this year at \$350,000 total. And the College would
20 somehow, by hook and crook, have to find the room for them. And the deans, over the
21 next year or so, would then have to identify more room so that they could come back
22 next year if the Council approves of this initiative to get to that hiring number. On the
23 federal and state grants, again there are \$16.3 million. In that -- I'm sorry \$17.3 million.
24 In that request is \$500,000 that is not designated for any specific grant at this time.
25 Which has been our normal practice. We have been doing that at staff's suggestion for
26 a number of years because there will be unidentified bluebirds that come in during the
27 year. And staff felt that the cost for administering, coming in here, preparing that, going
28 to the Executive, coming back here far exceeded the effort that was expended. And so
29 we have been going at that \$500,000. Staff is now recommending that we increase that
30 amount to \$1 million, given the number of smaller grants coming in, and the committee
31 concurred with that. No questions so far, Mr. President?

32
33 Council President Leventhal,
34 There are no lights, Mr. Subin, you're doing great.

35
36 Councilmember Subin,
37 Adult learning, we had several meetings on this, one of which was as late as late Friday
38 afternoon. This whole issue of adult literacy was brought up by Ms. Praisner and our
39 former colleague Blair Ewing four years ago. And it was decided then that we did need
40 to have a major effort to attack the problem of adult literacy. Last year the College, the
41 Adult Literacy Council, and a number of other groups came in and said, "Here's a plan."
42 The umbrella organizations is called MCALESOL -- Montgomery County Adult Literacy -

43 -
44 Councilmember Perez,



May 8, 2006

1 Pick a new name, Mr. Subin. We have so informed them bad acronym.

2
3 Councilmember Subin,

4 We so informed the literacy folks that we are not literate enough to get to MCALESOL.
5 Anyway, they presented a plan to us, to the Committee, several weeks ago, which
6 identified their needs. What it also identified was the fact that there is a waiting list of
7 1,098 people. Now how they got to 1,098 -- no, it's twice that. Was 1,099 times two. So
8 it's 3,998 [sic]. And they said that in order to do what they were doing and in order to
9 eliminate the waiting list, they would need something over \$800,000 a year, which came
10 to -- it sounds low, but the aggregate number was the issue, \$540 or so a year per
11 client. Mr. Perez, among others, asked that we do something to eliminate the list. The
12 committee felt two things at the time: One, we had to get rid of the list, the waiting list.
13 That was imperative for a whole number of reasons, which we probably don't have the
14 time to go into at this moment. But that the increased costs for the administration were
15 much too high. They were explainable, they were reasonable, we understood them. And
16 the reason was access. And the access for the clients was important. And so there were
17 a number of small centers, and so the facility costs and cost to administer that were just
18 going out of sight, so that the \$540, while it sounded like a little bit per client, high
19 administrative costs in there. And we asked them to come back. In the interim, there
20 was a press conference and a request to phase that in essentially over three years with
21 something over \$300,000 a year. The Committee met with MCALESOL Friday
22 afternoon and what they were able to do was reduce their costs to the point where if we
23 were to allocate \$575,000 this year, and the same amount -- in current dollars -- in the
24 future, we could eliminate the waiting list in two years, rather than three. And so it is the
25 Committee's recommendation to, in fact, do that and expend the monies necessary.
26 Now, what that will do, that will not -- we recognize that it will not forever get rid of
27 waiting lists, but it will bring it down to a de minimis level. There were two other issues
28 that came before us actually, de novo, Friday afternoon. One was SEIU Local 32BJ --
29 please don't ask me why it's 32BJ. They have an explanation, has to do with the
30 consolidation with some other locals -- does have a major literacy component for its
31 clientele, its membership. They were going to lease out or rent out the old Post Office
32 on Georgia Avenue, but that deal fell through. They are still prepared, though, to work
33 with MCALESOL in the future to take care of their people and whatever number of folks
34 that MCALESOL had in their client base to work on the adult literacy issue. They're not
35 ready to go. The Committee was impressed with the proposal, the Committee was
36 impressed with the efforts of SEIU 32BJ, but it's just the idea was just not ready for
37 prime time. Also, the Health and Human Services Committee sent to the Ed Committee
38 five ESOL-related grants with the suggestion that they be administered by MCALESOL.
39 Same issue we had with the SEIU proposal, MCALESOL just was not ready to bring
40 them in and administer them now. So what we are recommending back is a kind of yes,
41 but... Yes, but not today. We said no later than next year's budget, we did want to see
42 the plan so that MCALESOL could absorb those other grants in terms of administering
43 them, not necessarily their losing their identity and their focus. And hopefully then
44 reducing even further the overall administrative costs. So we said we agree, but we



May 8, 2006

1 don't -- there was a lot of trepidation on the part of MCALESOL to do that today, but not
2 in the future, and suggested that no later than next year's budget that they come back
3 with a plan so there is one umbrella organization. And if possible, we said even though
4 this is budget season, we don't think you can do it, but if you were to come back next
5 week with a plan, we would call an emergency Ed Committee meeting and see if we
6 could move that forward.

7
8 Council President Leventhal,
9 Mr. Chairman, that's a very helpful and lucid walk-through of a lot of moving parts
10 relating to literacy and ESOL, but I don't see it explained in the packet. Am I missing it,
11 Mr. Sherer?

12
13 Councilmember Subin,
14 No, Mr. President, you are not. Like I said, we finished up with that piece at about 5:00
15 Friday, so the staff, frankly, did not have the opportunity to even get to it. The
16 MCALESOL piece, there has certainly been plenty on that. And Mr. Praiser and Mr.
17 Perez had their press conference and there was more material there. The other two
18 pieces -- I guess the piece on the five additional grants that your Committee sent down
19 didn't catch everybody by surprise, because they were in the works already. The piece
20 about 32BJ, I think caught everybody offguard and we spent quite a bit of time even
21 trying to get through that. And the other issue that we had in saying not now to that one
22 was we had no -- well, we had some material that they gave us, but it was right there,
23 so we didn't even have a chance to go through it. So you're absolutely right. A lot of
24 moving parts and not all the paperwork is here. And frankly, that was not the driving
25 issue in our decision to say "yes, but" it certainly was a part of the "but."

26
27 Council President Leventhal,
28 Mr. Chairman, I have just one more question and then Mr. Perez and Ms. Praiser want
29 to comment, too, or maybe staff could help. What then, and could we actually see it,
30 made its way on the Reconciliation List? As one who's going to be spending a lot of time
31 going over that list.

32
33 Councilmember Subin,
34 575 a year.

35
36 Charles Sherer,
37 That's for a grant to MCALESOL and there were other grants. I think there might have
38 been seven.

39
40 Council President Leventhal,
41 With the expectation that that organization would come back with an overall plan?

42
43 Councilmember Subin,



May 8, 2006

1 That's correct. And that the other five -- we did not take a vote on this one part, but I
2 believe -- and turn to Mr. Denis and Mr. Knapp if they disagree, on those five or seven.
3 I'm not sure what the number was at this point. I thought it was five, could have easily
4 been seven -- that those grants be approved, and if you wanted it done under the
5 auspices of the Ed Committee, we have no problem with that either. It was just we didn't
6 think that they should be done under MCALESOL at this point.

7
8 Council President Leventhal,
9 Okay, so those are still live for consideration?

10
11 Charles Sherer,
12 Yes, sir. They'll be in the group that you consider next Tuesday and staff is putting out a
13 memo today to give you all the list, which will include these ESOL grants.

14
15 Council President Leventhal,
16 And could that memo also go back over the excellent explanation that Chairman Subin
17 just gave us? To explain the overall status of what the committee recommended, with
18 respect to ESOL and literacy generally, could you include that in the memo as well?

19
20 Charles Sherer,
21 Yes, sir. If it hasn't gone out yet.

22
23 Councilmember Subin,
24 Do me a favor, don't ask me what I said, go back to the tape.

25
26 Council President Leventhal,
27 The tape, it's all on tape. Great. Thank you, Mr. Chairman. Mr. Perez.

28
29 Councilmember Perez,
30 I just wanted to thank the Chairman. Mr. Chairman, you neglected, when you talked
31 about four years ago, people who were involved in this, to mention yourself. And so I
32 just wanted to clarify the record. You have been involved in this issue for far longer than
33 four years. So I wanted to thank you. I've also worked very closely with the ill-named
34 MCALESOL, and it's a great organization and I want to thank Dr. Nunley for again
35 helping to birth this organization. They still have a ways to go before they're a
36 separately incorporated C-3, which is why I thought the committee absolutely did the
37 right thing. They're not quite ready to be where, say, the Primary Care Coalition is
38 [INAUDIBLE] they're playing that role in the healthcare context. I think in a year they'll
39 be there. I don't think they're there right now. They're about to undergo some additional
40 transition because of one of the major people there is leaving to move out of town, and
41 so it may slow the process down a little bit. But George has been incredible, as you
42 know, and I wanted to thank the college. We wouldn't be where we're at without the
43 strong support of Montgomery College. So I do think that is the way to go, as it relates
44 to adult ESOL and we do need to eliminate these waiting lists. We spent a lot of time in



May 8, 2006

1 Annapolis trying to come up with a funding formula to get the state to be a more
2 meaningful partner. This proposal will have us spending, depending on if we fund all of
3 the Ed Committee's requests, then we will be at something like five times more than
4 what the state puts in at a county level. If we're only able, through the Reconciliation
5 process, to fund the \$300,000, we'll still be at four times more than the state
6 commitment. That's really regrettable. Sheila Hixson and P.J. Hogan have been trying
7 hard to change that, but it's been a little elusive. The problem, as Dr. Nunely knows
8 more than anyone, is that there are so few discretionary items in the state budget that
9 Higher Ed's often got a bull's eye on its back. And so the challenge we're confronting is
10 to have a funding formula for adult education. Many of the appropriators in Annapolis
11 look at that as yet another item that would then be transferred to that have-to-do list. I
12 think it should be on the have-to-do list and I think the challenge ahead for us is to make
13 the case in Annapolis. Because we're going to end up having to step up even more
14 because the waiting lists, we can eliminate them now, but they're going to come back.
15 That's one thing you can count on. And that's a reflection of the spirit of the immigrant
16 community, that people are working two and three jobs and then going at 8:00 to
17 Eastern Middle School or Blair High School or wherever else so that they can help get
18 themselves out of work. The employees at 32BJ are generally doing -- they're cleaning
19 offices, that's what that cohort of workers does. 98% of them are limited English
20 proficient. They want to learn English because they want a career ladder. They don't
21 have a career ladder as long as they don't know English. And that's why we're trying to
22 do that. So Mr. Subin, thank you for your leadership. I do really appreciate all the work
23 you've done in this area, and you failed to acknowledge your own role and I wanted to
24 clarify the record.

25
26 Councilmember Subin,
27 Well, thank you Mr. Perez. Clearly, you're the one who has taken the lead on this for the
28 Council for the last four years. And that history doesn't goes back. Thank you for doing
29 that.

30
31 Council President Leventhal,
32 Ms. Praisner.

33
34 Councilmember Praisner,
35 I wanted to add my thanks both to Councilmember Perez and to Councilmember Subin,
36 and then finally, last but not least, to Montgomery College. I remember the initial
37 meeting several years ago.

38
39 Councilmember Subin,
40 That was fun, wasn't it?

41
42 Councilmember Praisner,
43 Four and a half years ago, that was fun, and the notebooks that were prepared. And I
44 think we are on the brink of that next peak perspective, from a standpoint of bringing --



May 8, 2006

1 creating a coalition that has the capacity to serve as an umbrella group in this area,
2 even more than the work that's already been done. And I suspect -- I hope -- that a year
3 from now, when folks come with ideas for wanting to start programs in adult literacy or
4 serving folks and wanting to work on this concept or the needs, trying to meet the
5 needs, that we'll have an organization in place that we can direct folks to that can
6 ensure comparability of outcomes, can assure the curriculum consistency, can provide
7 the training for volunteers, can coordinate, and show the myriad of places where folks
8 can go and hopefully grow the opportunities and options for folks. And I hope next year
9 at this time we can also talk about the fact that the legislature has moved on legislation,
10 which I know Delegate Hixson and Senator Hogan would introduce again -- will
11 introduce again -- so that we can make some progress on this issue. As I commented at
12 the press conference, I remember the stories my mother told me about her family and
13 those who were recent immigrants who spent many hours alone learning English
14 because there were no venues in which to provide that support. And I had a cousin who
15 had a -- first purchase was a dictionary, an English dictionary -- and he just worked his
16 way through the dictionary in order to try to learn the language. And I think the point and
17 the demand that we have just demonstrates that folks who would speak and suggest
18 that there isn't a desire among current immigrants to this country are just plain wrong
19 about the desire to learn English and the acknowledgement that that is such a critical
20 piece of both employment and of interaction with your children, being an active
21 participant in the community. So I want to thank the committee. My only question related
22 to making sure we get it -- get some funding. My worry is the presentation Mr. Farber is
23 going to make soon about the dollar amounts. And I was hoping that we could show this
24 such that folks understood tiers of ways in which you can reduce the waiting list so that
25 we make sure we make as much progress as possible. I wouldn't want the total dollar
26 amount to be an impediment to having some of this progress. So I appreciate the
27 committee's additional dollars, but I was just worried about when we get to
28 Reconciliation, the fact that it might not make the cut if it is shown as one amount. So it
29 sounded like Mr. Perez was suggesting maybe showing two tiers or something.

30
31 Councilmember Subin,

32 We have two tiers there. Year one would eliminate 1,098 -- 99 on the waiting list. Year
33 two would eliminate the remaining 1,099 on the waiting list. Again though, with the
34 caveat that's the known picture of the waiting list today. Or as of 5:00, Friday. It does not
35 address those who may have have signed up today and certainly will over the next
36 couple of months. And we were not under the illusion that it would always be at least a
37 de minimis waiting list. But this will get it down to de minimis and that's -- so that's what
38 should go on the Reconciliation List is the cost of the 1,099 in year one, and then we'd
39 have to address year two next.

40
41 Councilmember Praisner,

42 No, I understand that. I don't expect that we will totally eliminate a waiting list because
43 folks will come and want to sign up. The question is how long they have to wait before
44 they get services. I was just referring to the 575 and I guess we can work that out later.



May 8, 2006

Councilmember Subin,

Two other pieces on that. One of the pieces -- and I remember back now -- I think this is a piece that's going to have to go back to HHS. Centro Familia had a grant request on there. And we weren't sure -- there's a part of that that was for the adult literacy and a part for the training for home daycare providers. So we needed -- if they're separate, that answers the question. If the number was all in the one, I think those pieces should be disentangled.

Council President Leventhal,

Well, let me respond to the Chairman. We're not actually -- HHS, we're done. We're not having anymore meetings on the budget. And we're not taking up the grants in committee. The grants -- and whenever we get to them, which I'm trying to figure out how we'll do this morning, because we're going to slip a couple of other agency heads who are here. But Steve Farber will address the volume of grant requests we have and I've got a request to Councilmembers asking for their priorities on grants. We'll have a discussion to help Councilmembers get their minds around prep for Grants Day next week. But in any event, the HHS won't be taking up the grants separately. It'll be the full Council.

Councilmember Subin,

Okay, if Mr. Sherer could work with Ms. Planell to identify what those numbers are, so we're dealing with each one in its proper place. I'm not suggesting at all that the total grant be -- the request be reduced, but just that given that we're shifting the literacy piece over, that we should identify what's where.

Council President Leventhal,

Yes. Well, Centro Familia's application will compete with the \$17 million of other applications that are pending. It may get funded or it may not. Mr. Subin, how are we doing on Montgomery College? Are we approaching--

Councilmember Subin,

We're approaching -- there are two actionless requests that are going to be...

Council President Leventhal,

Mr. Andrews, did you have a question on literacy?

Councilmember Andrews,

No. At the end.

Council President Leventhal,

Okay, at the end on Montgomery College.

Councilmember Subin,



May 8, 2006

1 I have one very quick piece and two others that will take just a short period of time. The
2 college identified its three top priorities; more facilities, keep tuition as low as possible,
3 and the freeze on the new initiatives. I cannot emphasize enough on issue of the
4 facilities the dire straits that the college is in. Ain't no room left at the inn. There just is
5 none. We started to deal with that a little bit when the issue of Carver popped to the
6 surface, but clearly, that issue was not ripe, but the fact that it was not ripe a couple of
7 months ago for decision doesn't mean that the issue of addressing the facilities needs,
8 especially at Rockville, have to be undertaken immediately. Because we are now, if not
9 academically turning people away on an official basis, we are unofficially turning people
10 away because there is no room. Classes are filling up. There is nowhere else to put
11 them. We've addressed the need at Takoma Park to some degree. It will be back to
12 revisit us in several years. There is still some room at Germantown, but we're going to
13 need new facilities there to address those problems. So you know, at Rockville the
14 choices are limited. They're there and we need to get through them. You either go over
15 to Carver and free the administrative spaces up on campus and get new administrative
16 facilities for the school system or you build up on campus or you find a fourth campus.
17 No rational to the one, two, three there. No need to try to read in any preferences. It is
18 what it is. And we need to move quickly, because that gets related to my second point
19 on the tuition. Tuition has increased 26% over the last five years. Over the last ten
20 years, it's been 52%. And this is the main problem when it comes to tuition, the neediest
21 folks around. Back in 1986, when I chaired the college board, my colleague Dr. Jerry
22 Duval did a study on the impacts of tuition increases. The data back then -- he admitted
23 and his results he conceded were soft -- couldn't show a real good correlation between
24 increases in tuition and students dropping out. That has changed. There were about
25 3,500 students last year who, for one reason or another, did not come back or applied
26 and did not go. One was the issue of room. They got closed out of their classes. There
27 weren't any so they just didn't come. But two-thirds of those who did not come back did
28 not come back because of money. They needed Presidential Scholarships and those
29 were drained. And there was -- the Board and the Administration went through
30 everything they had there. So I applaud you for your freeze in tuition and I applaud the
31 Executive for staying with that. Thank you, Charles. But while we can get through it this
32 year, we have those two structural problems which need to be addressed. Now, if you
33 can get the room and get some other tuition and make some other arrangements, there
34 are things that can be done. But without the facilities and without the money, you're
35 trapped. The last item, before anybody has any other questions, is the college has done
36 a good job, starting on Circle 19, of Dr. Levine's efforts to look at the performance
37 measures. And they are a number there, some internal and some external. We have not
38 had, though, Dr. Nunley, in several years -- and it may be because it's only done every
39 five years -- the MHAC Performance Accountability Report. So if we could get that in
40 committee, that would be good, and any of the others that you might have there. The
41 last thing, Mr. President, was actually Item Number 4, which were the three capital
42 items that were put into the Operating Budget. That was the network infrastructure and
43 support system, the Network Operating Center, and the student learning support
44 system. The first two, the network infrastructure and support system and the operating



May 8, 2006

1 center, reasons we need those are twofold. One, the equipment in there is old, Verizon
2 has stopped supporting us, and so we can't get that. And if you look in the Network
3 Operating Center, it is just -- it's a mess. It's just there is so much there, so many pieces
4 of equipment and so many wires, it probably represents some kind of hazard. The
5 student learning support system is basically to be able to communicate with students, it
6 will help facilitate off-campus online learning. The only difference between what the
7 Executive is recommending and what the committee is recommending -- and frankly, it
8 was not, I don't think, in the long-term a real difference -- is the Executive was saying
9 don't show any dollars in the out-years and the committee said it doesn't affect the
10 budget this year. It does show an intent to fund in the out-years, but certainly we
11 couldn't find fault with the Executive's recommendation. It was simply a matter of we felt
12 it was clear to show those numbers in the out-years. That was it, but it doesn't affect this
13 year at all and it certainly didn't affect -- we didn't hear anything from the Executive that
14 said we are not going to fund it. It's just don't make any assumptions, which is certainly
15 a correct thing to do. And again, the committee did want to thank the Executive on the
16 issue of cooperating on the tuition piece.

17
18 Charlene Nunley,

19 Could I just point out that you did add small amounts to each of those projects over and
20 above what the Executive had included for all three projects that totals a million dollars
21 because we felt that we were a little short of what we'd need to really be able to make
22 them fully effectual. And so you put in the out-year money, but you also put a million
23 dollars in next year for those two projects.

24
25 Councilmember Subin,

26 I did have that marked here and didn't get to it. It was \$600,000 extra for the student
27 learning center. No, it was \$250,000 more than the Executive on the infrastructure and
28 support system and \$500,000 on the network operating system, and \$250,000 in the
29 student learning system.

30
31 Council President Leventhal,
32 And these are all in the CIP?

33
34 Councilmember Subin,
35 Current fund CIP.

36
37 Council President Leventhal,
38 Yep, okay. Is that it, Mr. Chairman?

39
40 Councilmember Subin,
41 That's it from my side.

42
43 Council President Leventhal,
44 Mr. Andrews.



May 8, 2006

Councilmember Andrews,
Thank you, Mr. President. I think Mr. Subin did a very good job of presenting the budget and identifying the nature of the challenges and trends that the college is facing. And I join him, as I know all my colleagues do, in regretting that President Nunley won't be there in the next few years to tackle them successfully, as I know she would. Memories being what they are, you'll be remembered as the president who never raised tuition. 20 years from now you'll have mythic stature.

[LAUGHTER]

Councilmember Andrews,
No one will remember the 26% in the previous five. No, they'll remember the final year. So your timing is good, but you've done so many other things that you deserve to be remembered for, your great work at the state level and your work in identifying the facilities' needs and growing the humanities program and really working to get the word out about the fact that the college is the place for endless possibilities. And I've got to say I think that's a pretty good description too of your future. So thank you for all your good work.

Council President Leventhal,
Let me suggest to my colleagues, I know that all of us admire the distinguished President of Montgomery College, but there will be ample opportunities later to commend her publicly so what I'd like to suggest at this point is we just send her off with \$217 million.

[LAUGHTER]

Council President Leventhal,
And wish her well. Thank you.

Councilmember Subin,
[INAUDIBLE]

Council President Leventhal,
Right. Okay, with the consent of my colleagues I think we have the CAO here and Ginny Gong has been waiting patiently. I think we could whip through community use of public facilities, Chairman Subin, in just a couple of minutes if you think we can, so could we --
Councilmember Subin,
How about two minutes, if not less?

Council President Leventhal,
Yeah, so let's do that one quickly and Ginny Gong can get back to work.



May 8, 2006

1 Councilmember Subin,

2 This is a request of \$500.866 million, 26 work years. All of this money is enterprise
3 funds. One thing to note is only 26% of it is personnel. The rest is to take care of fields,
4 to reimburse the schools for items that are used, and utilities and maintenance. The one
5 thing I would like to note, since Ms. Gong and Ms. [Graham] took over the unit, we have
6 had virtually no problems with the schools. Virtually none. It used to be a daily, if not
7 three or four times weekly, set of phone calls. One of the things they have done is gone
8 away from the old system of reimbursement, where the school needed to have 10,000
9 hours before it was reimbursed. And so all those materials would be used, all the
10 maintenance issues were set up, and all that has been solved because they have gone
11 to an hourly reimbursement based on the hours and nothing else. So the work that this
12 office has done, not only in its scheduling, which they've taken on added
13 responsibilities, but in calming what were some extraordinarily rough waters -- not quite
14 equivalent to the old career firefighter/volunteer firefighter battles, but I'll tell you what, it
15 was in second place and it wasn't that far back. So I wanted to take the opportunity, Mr.
16 President, to thank both Ms. Gong and Ms. [Graham] for doing that.

17
18 Council President Leventhal,

19 Great. Thank you, Mr. Chairman. On the Community Use of Public Facilities, Ms.
20 Praisner.

21
22 Councilmember Praisner,

23 I want to add my thanks to Ginny, as well. I can remember sitting as a School Board
24 Member, as well on the Community Use of Public Facilities board, ICB board. And many
25 issues relating to building service worker issues initially, and now facility issues, but I
26 have one other comment. I would like, folks -- Jean, I don't know if it's you or Ginny, if
27 you have it -- to go and pull out the 1976, '78, whatever it was, report of the task force
28 on the Community Use of Public School's Facilities. Because when we get to the
29 Recreation Department and some of the after-school initiatives that we're talking about,
30 hoping to do, there's a vision there for more than just a leasing of space. There's a
31 vision of programming by some government entities helping to program meeting the
32 neighborhood and the community needs using those facilities. And whether we're
33 talking about running ESOL classes or we're talking about babysitting skills for middle
34 school children -- youth. I shouldn't call them children, they'd have a fit -- or whether it's
35 whatever program it may be, depending upon the neighborhood and the community
36 needs, there was a vision there. And I would like us, as a County, to look again at what
37 that vision was. And look at whether we call it a Gang Prevention Initiative or we call it
38 an Adult Literacy Program, or whatever we talk about, it just seems to get back to space
39 issues. And I'm hoping that we can find a way to resurrect what was the vision of that
40 idea sometime in the future. It was focused on the middle school and maybe it needs to
41 be focused differently, but I think that report needs to be resurrected. Thank you.

42
43 Council President Leventhal,

44 On Community Use of Public Facilities, Ms. Floreen.



May 8, 2006

1
2 Councilmember Floreen,
3 Thank you. Yeah, I was on the ICB too once, years ago, I guess from the Planning
4 Board perspective and I couldn't remember this being the case previously. Maybe -- I
5 don't know when it came into being. When did PTA start getting charged for the use of
6 schools? Has that always been the case?
7
8 Councilmember Subin,
9 A long time ago.
10
11 Councilmember Praisner,
12 Not all meetings.
13
14 Ginny Gong,
15 General monthly meetings or small committees, they're not charged, but everything else
16 they are. Because there's cleanup involved, there are utilities that are used. There are
17 replacements for school facilities that are needed for wear and tear. That's where a lot
18 of that goes.
19
20 Councilmember Subin,
21 And security charges over the last couple of years have been a major item in there.
22
23 Councilmember Floreen,
24 Well, and that's always been the case, Ginny?
25
26 Ginny Gong,
27 Yes.
28
29 Councilmember Floreen,
30 I wish we could look at some of that because where communities are doing work for the
31 kids who are are going to school there, it seems odd to charge the community for the
32 same -- for basically school-related and PTA-related functions. I don't know if Board
33 members have raised that.
34
35 Ginny Gong,
36 The PTA is actually in a category of their own, so in many instances, the fees that are
37 charged are less than...
38
39 Councilmember Floreen,
40 They are?
41
42 Ginny Gong,
43 Yes.
44



May 8, 2006

1 Councilmember Floreen,

2 Well, that helps to a certain degree. I've also heard some concerns about the rate of
3 increase in fees. I don't know if there was anything in the packet that showed what the
4 increase -- I assume there was an increase in fees now.

6 Ginny Gong,

7 Much of the increase has been to -- because of the increase in utilities for the school
8 system. As can you see, the utility reimbursement to MCPS has more than doubled and
9 may continue to do so. Will continue to do so. And that has been largely why many of
10 the fees have been raised.

12 Councilmember Floreen,

13 Do we have -- what is the percentage increase this year?

15 Ginny Gong,

16 We've only done what -- this year there's not an increase. The board has elected to look
17 at it every two years as possibly an increase. We're only talking only about possibly a
18 5% increase. So out of \$5, that's very minimal.

20 Councilmember Floreen,

21 Well, except it does add up.

23 Ginny Gong,

24 Right. But utilities is really what has been the rationale for some of the increase.

26 Councilmember Floreen,

27 Well, I would urge the board to look at this issue, especially with respect to various
28 categories of users. There may be -- as with the literacy initiatives, there may be other
29 operations that they might want to give some attention to, in terms of how rate increases
30 are allocated.

32 Councilmember Subin,

33 I would just like to put a note of caution on the table that if there are no rate increases
34 here, the commensurate costs are going to show up somewhere else. And so if there is
35 not a rate increase there will need to be an operating cost increase for the school
36 system or for the parks -- whatever other county government facilities are used,
37 because the three big things you have there are the toilet paper and paper towels, the
38 utilities, and the need for a building service worker and/or a security guard. Those are
39 not going to go away. Those are going to be givens.

41 Councilmember Floreen,

42 Well, I have no doubt that the board looks at this stuff and will look at this stuff in
43 context. I don't know how they look at the allocation of cost for different times of day, for
44 example. Presumably it's a little different, depending on whether it's an after-school



May 8, 2006

1 activity versus a weekend activity, I don't know. I would just ask that that be looked at
2 and considered when the board is in its fee-setting mode. So if you could ask them to
3 take a look at that issue, I very much would appreciate it. Thanks.

4
5 Councilmember Subin,

6 Mr. President, I just wanted to thank Charles Goldsmith from OMB who's been a great
7 assistance to the committee. [INAUDIBLE] worked with the MCPS budget, the college
8 budget, and for the [INAUDIBLE]. So thank you, Charles.

9
10 Council President Leventhal,

11 Very good. All right, thank you, Mr. Chairman. At this point, we're going to proceed to
12 the County Executive's budget because we don't want to detain Mr. Romer any further.
13 And we're just going to take that one item and then Mr. Farber will walk us through the
14 budget overview memo, which we'll do in a very short time frame. And after that, we'll
15 go to Liquor Control. So welcome, Mr. Romer. We're going to go to item 8 and
16 Chairwoman Praisner will walk us through that.

17
18 Bruce Romer,

19 Thank you for your accommodation.
20

21 Councilmember Praisner,

22 Yes. we should be able to move through this fairly rapidly. The County Executive's office
23 budget was reviewed by the Management and Fiscal Policy Committee. We
24 unanimously recommend that the Council make some modest changes. Number one,
25 there were 2,000 -- and I thank Justina for her work in reviewing the budget. There's
26 \$2,000 in the budget for transcription services for the Criminal Justice Coordinating
27 Committee, which is no longer required because the committee does not go through
28 that process anymore. We also recommended some modest increase in LAPSE in the
29 County Executive's office, given the transition that we're talking about, by \$20,600.
30 We've also added though, given the transition issues of moving to a new County
31 Executive, there is money for the inauguration, but there isn't money for the staff, the
32 structure, the office, et cetera, that would be needed for a County Executive-elect to be
33 able to operate. So we are recommending adding \$25,000 to the Reconciliation List for
34 the County Executive's office budget for unbudgeted transition items required by the
35 new County Executive and staff. And with that, we recommend approval of the FY '07
36 County Executive's office budget \$4,594,220. And I thank Justina, Mr. Romer, Sonetta,
37 and others for Phil, for Fariba, as well, for all their assistance as we reviewed the
38 budget.

39
40 Council President Leventhal,
41 Mr. Romer.

42
43 Bruce Romer,



May 8, 2006

1 Mr. President, thank you very much for the accommodation and just wanted to you
2 know, as always, we appreciated the review of our budget by the MFP Committee. We
3 had some very good discussion. We are in full agreement with each one of the three
4 adjustments that Ms. Praisner alluded to, resulting in a total proposed budget of \$4.94
5 million. And we, again, appreciate the opportunity to come before you.

6
7 Council President Leventhal,
8 All right. Well, would that every item were so easy. Thank you very much.

9
10 Bruce Romer,
11 Thank you.

12
13 Council President Leventhal,
14 Give our regards to the County Executive. And Sonetta tell your father Mort I said hello.
15 Okay, at this point, Mr. Farber is going to walk us through -- as referenced, there was a
16 memo from me to Councilmembers that was in your weekend packet titled "Status
17 Report on the FY '07 Operating Budget."

18
19 Stephen Farber,
20 Yes, Mr. Leventhal, we placed a copy of that same memo actually before each
21 Councilmember, in case you don't have it. We're ten days away from the Council's final
22 decisions.

23
24 Councilmember Praisner,
25 "Ten days in May." Remember that movie?

26
27 [LAUGHTER]

28
29 Stephen Farber,
30 Yes, "Ten days in May." Thank you, General. And that gives us an opportunity to take a
31 peek at where we are right now. First some good news. One of our initial problems, as
32 you know, was Geographic Cost of Education Index. The Executive had correctly
33 assumed that the state would do its duty and provide \$17 million for that, but that did not
34 materialize. And one of our first objectives has been to try to close that gap. And I
35 believe the Council will be able to do so by applying some excess reserve and some
36 other minor budget adjustments. The Council could of course allocate those funds
37 elsewhere, but I think there is strong support for keeping the MCPS budget whole, in
38 that respect. Then the question becomes what other claims on resources are there?
39 And as the memo suggests, there are about \$55 million in potential claims that you will
40 be grappling with over the next few days. First, there is \$22.8 million on the
41 Reconciliation List, items that the committees have suggested for possible addition.
42 Apart from that, there is some foregone revenue for the transportation proposal from Mr.
43 Silverman and Ms. Floreen. And also from the T&E Committee foregoing some
44 additional revenue in the Mass Transit Fund, a total there of \$1.7 million. Mr. Leventhal



May 8, 2006

1 referred earlier to grants. There were \$17.8 million in applications, about 211
2 applications, and there is a separate process for that. We've had an excellent job done
3 by the Council's Grant Advisory Committee or advisory group. And May 16th is the day
4 designated for the Council's review of grants. The Council President did request that
5 Councilmembers indicate initial priorities by Wednesday at noon, as he attempts to
6 prepare a President's list for -- as the start of discussion for the grants process next
7 week. Then there is \$2.1 million in an additional supplemental appropriation for
8 relocatables. And finally a request from MCPS with regard to several items. The net
9 cost of those is \$10.5 million. The largest single item is \$13.2 million to improve
10 pensions for MCPS employees. This is a late-breaking request because the legislature
11 acted only at the end of its session and there are some implications of that for MCPS
12 employees. The Board of Education will be taking that up tomorrow. The Education
13 Committee will be taking that issue up on Wednesday, and the Council will be
14 considering it in the context of the MCPS budget Thursday. Then the question is what
15 are the possible funding sources for this potential \$55 million in claims on resources?
16 And obviously, with respect to those claims, the Council never does fund every item on
17 the Reconciliation List, so some of the \$23 million will not be funded. And the Council, of
18 course, has not previously funded all of the grant requests. Historically, we've been in
19 the 2 to \$3 million range. And that possibility exists this year, compared to the \$17.8
20 million in requests. But as to funding sources, the first is the spending reductions that
21 the committees have already suggested, which total nearly \$8 million, assuming that the
22 Council sustains those. Then there's the issue of property tax revenue. Ms. Praisner
23 and Mr. Silverman have both suggested options to what the County Executive
24 suggested. He proposed, as you know, a 9.5 cent reduction in the property tax rate to
25 bring us to the charter limit on property tax revenue. Ms. Praisner and Mr. Silverman
26 would also get us to the charter limit, but in a different way; by using offset credits --
27 credits that are offset against the income tax. And these credits focus more on real
28 property and particularly owner-occupied principle residences, than the County
29 Executive's proposal. The reason that they make available more revenue, \$5.2 million in
30 Ms. Praisner's approach, \$10.7 million more in Mr. Silverman's, is that when you cut the
31 rate, you are cutting the rate on all forms of property, including personal property, such
32 as business equipment. And in the approach suggested by Ms. Praisner and Mr.
33 Silverman, you would be cutting the rate less. You would be cutting it by five cents in
34 Ms. Praisner's approach and not at all in Mr. Silverman's, focusing all of the effort on the
35 credit for owner-occupied residences. So that is a potential source of revenue, in the
36 event that the Council chooses to take a different approach to meeting the charter limit
37 than the Executive's approach of cutting 9.5 cents. And then finally, there's the school
38 construction reserve issue. The Executive, I think wisely, set aside \$15.3 million in
39 excess reserve this year for school construction in Fiscal Year '08. There is a desire on
40 everyone's part to make sure that we can adequately fund the school CIP. Construction
41 costs have gone up. Demands for facilities improvements are strong. And the Executive
42 did take \$15.3 million in revenue -- in excess revenue, this year and set it aside for
43 school construction in '08. Now, whether all of that or part of it is going to be necessary
44 really depends on how the CIP Reconciliation process unfolds over the next ten days.



May 8, 2006

1 Mr. Orlin is working on that and will be -- he has distributed to you a progress report, the
2 latest one on where we stand. And he will be in touch with Councilmembers in that
3 regard. I do think that one thing that would be useful over the next few days is that to
4 the extent that the Council, as it reviews these budgets that are coming before you,
5 feels that there are additional areas that could be -- additional items that could be
6 eliminated, deferred, or reduced, that would be useful in terms of creating more fiscal
7 room for your own highest priorities. And that you will decide on a budget-by-budget
8 basis. So I think that really is it, Mr. President.

9
10 Council President Leventhal,

11 Okay. Thank you very much, Mr. Farber, both for this overview and for your consistently
12 excellent work in helping us keep track of all these things. Let me just speak about
13 grants very briefly. I want to reiterate the request in my memo that by Wednesday noon,
14 every Councilmember identify for me please -- and this is just a first cut -- those top
15 three grant priorities that each Councilmember has. Now let me just say very briefly on
16 this. We received an excellent document and we owe a lot of thanks to the volunteers
17 who served on our Grant Advisory Panel. We had a mini mutiny with the panel because
18 we had not asked them for rankings or scores. And they said, "Well, we're volunteering.
19 We're going to give you ranking, and that's what we're going to do." And they did. And
20 let me just state that it's going to be an interesting day, as grants day always is, when
21 we get to the grants on May 16, which is next Wednesday -- have I got that right? Yes.
22 a week from Wednesday. I will bring forward a list of recommendations, which will be --
23 Tuesday the 16th -- I will bring forward a list of recommendations, which will then be
24 opened to amendment by Councilmembers, and it's all a question of what makes it onto
25 the Reconciliation List. After next Tuesday, there will be another cut. Not every grant
26 that's added to the list will survive into the final budget. This grant advisory report is
27 very, very helpful and I will rely heavily on its recommendations in putting my list
28 together. Is it not a perfect document. There is no participant in this process who is
29 perfect. We are all flawed individuals. It is wise for any organization that has concerns
30 about its write-up in this document promptly to get to Joan Planell and Debbie [Allnutt]
31 and Amanda White -- address it to Joan Planell -- a written set of comments
32 immediately on this document. So to the extent there are written comments taking issue
33 with anything in the document, that will be very helpful as we assess the comments in
34 the document. I think it's also very legitimate that support from Councilmembers is a
35 factor that weighs in, as support from the community is a factor. So all of these things
36 will be taken into account. This report will be very helpful, it will be very influential. It
37 does not settle the matter. We will also look at Councilmembers' support and we will
38 also look at community support. And we'll also look at comments, and in some cases,
39 rebuttals to what is in this document. But if you want to have an influence on the
40 President's list, please get me your three top priorities by noon Wednesday. If I don't
41 your priorities, I can't possibly take them into account. Mr. Silverman.

42
43 Councilmember Silverman,



May 8, 2006

1 Thank you, Mr. President. I have a request for information. I appreciate what you said
2 about school construction reserve. The County Executive funded the gap that had been
3 created in the school construction CIP over six years by pouring what can only be
4 described as massive amounts of PayGo money in to close that gap in the first couple
5 of years. So I'm sure I have all this paperwork somewhere, but could you provide for us
6 what PayGo monies were put in in '07, '08? And also a piece -- same piece of paper I
7 guess -- that references what our PayGo assumptions are and our school construction
8 assumptions are over the course of the six-year period?

9
10 Council President Leventhal,
11 Sure.

12
13 Councilmember Silverman,
14 Thank you.

15
16 Council President Leventhal,
17 Vice President Praisner.

18
19 Councilmember Praisner,
20 Thank you very much. Mr. Farber, And Mr. Leventhal, Council President, has laid out,
21 with the help of staff, an excellent document about these ten days in May and how
22 challenging they will be. The one point I think I wanted to understand is, as I read Mr.
23 Orlin's memo to us on the Capital Budget, he suggested, as I recollect, very strongly
24 that Reconciliation this year for the Capital Budget, given the dollar amounts that are
25 requested and the amount that we are over in many categories, is more than just a mild
26 challenge of moving a few dollars from one year to another. But that it is a much more
27 challenging project for him and therefore for all of us. Am I recollecting that memo
28 correctly?

29
30 Stephen Farber,
31 Yes, that is correct and I think he indicated that particularly when you start with '08, the
32 challenge is a really large one.

33
34 Councilmember Praisner,
35 The other point I wanted -- or the information I would request is I had gotten a
36 preliminary notice from the Finance Director, Mr. Firestine, that our bond rating
37 agencies' ratings are forthcoming or have come in and that in addition to affirming the
38 AAA bond rating, there are also some, as he put it, very interesting comments, ones
39 that we need to look at as Councilmembers. I don't know if all three bond rating
40 agencies have published their assessment, but I think it would be helpful, to the extent
41 Mr. Firestine has them, to pull them together in one memo. And also, to the extent Mr.
42 Firestine has had personal conversations with the representatives, because I know we
43 do our dog-and-pony show in New York and then the bond rating analysts meet in a
44 committee, just like a bank would have a mortgage review committee, and committee



May 8, 2006

1 members who would sit and evaluate the county's financial status and condition often
2 asks questions. And also that it is that group with obviously with some
3 recommendations from the analysts who reviewed the County and met with us. It is that
4 panel though that makes the rating and also makes whatever comments. And then the
5 staff has to write the narrative that goes with whatever rating it is. I think it would be
6 helpful, given than it is so close to the budget process, for us to know not only the bond
7 ratings, which we have in the past received, but also what dialogs there may have been
8 about questions with the interview panel, the rating panel, and also what commentary --
9 if there's a written commentary that has come in -- what written commentary there is so
10 that the Council, as well the County Executive, has it for their consideration.

11
12 Stephen Farber,

13 We'll make sure to get that. I think perhaps, as you know, Standard & Poor's has
14 already been posted on the web and reaffirms our AAA bond rating, but also has some
15 cautionary notes about the funding of our pension plan. And I believe Fitch has some
16 cautionary notes, as well, while reaffirming the AAA bond rating. But I will ask Mr.
17 Firestine to put that together.

18
19 Council President Leventhal,
20 Mr. Knapp.

21
22 Councilmember Knapp,

23 Thank you, Mr. President. Building on Ms. Praisner's comments and what you just
24 alluded to, Mr. Farber, would it be possible to also get some analysis of the implications
25 of the GASB requirements and what the impact of that would be on what we would need
26 to do, with just what's the additional funding request for MCPS pensions and if you do
27 one versus the other, or if you need to do both, then do you set some precedent by not
28 doing one and then potentially doing the other? Just have some understanding of what
29 the implications of both of those.

30
31 Stephen Farber,

32 Right. We can do that. The GASB requirements of course, as you know, do start in '08.

33
34 Councilmember Knapp,
35 Right.

36
37 Stephen Farber,

38 And they are disclosure disclosure requirements initially. But as Ms. Praisner pointed
39 out previously, AAA counties are expected to do more than disclose. They are expected
40 to fund.

41
42 Councilmember Knapp,

43 Right. Well, as we talked to Mr. Firestine, the idea was to have some type of a plan in
44 place on how those two pieces would interact with one another. Thanks.



May 8, 2006

Council President Leventhal,
Ms. Floreen.

Councilmember Floreen,
Thank you. Returning to Mr. Silverman's questions about the school construction reserve, I've never quite understood this issue. There is -- the budget -- the County Executive has set aside \$15.3 million in excess reserve for '08. Is that -- has that happened in the past?

Stephen Farber,
Yes, it's happened once before, a number of years ago when there was a very strong revenue year. OMB and the County Executive suggested setting aside, I believe at the time it was \$26 million for future needs. And their recommendation was that it was money that did not need to be spent in that year, but would be very important for future needs that were already programmed. And that's similar to the principle at issue here. The Executive, I think, felt that there was excess reserve. Indeed, we've already used some of that excess reserve to close the gap on the Geographic Cost of Education Index. But he put some additional reserve into school construction for '08 because I think he was sensitive to concerns raised by PTAs and others earlier this year about the need to have a school construction funding program that would not all be back-loaded, but would allow for funding of projects in the earlier years, as well. And that, I think, is the reason that he suggested doing this.

Councilmember Floreen,
So this -- but the current budget fully funds the requested CIP program, isn't that correct?

Council President Leventhal,
Including current revenue. The CIP is fully funded through the use of this current revenue. If this current revenue were spent for another purpose, then you would need to find some other -- you'd need to find the money still by the time you get to '08 if we were going to follow through on the promise to fully fund the CIP in '07 and '08.

Councilmember Floreen,
Actually that's my question. Is this over and above the current funding plan?

Stephen Farber,
No, this is part of the Executive's funding plan and the issue on the table now is what is the Council's funding plan?

Councilmember Floreen,
Well, then it isn't excess reserve, it's just how it's proposed to be funded.



May 8, 2006

1 Stephen Farber,
2 Well, it is excess reserve in the sense that it might otherwise have gone into our reserve
3 -- our operating reserve in '07, and the Executive felt, I think correctly, that rather than
4 have a much larger-than-target reserve, that he would allocate it here because he felt it
5 could be used effectively for school construction in '08.

6
7 Council President Leventhal,
8 Because he was under a great deal of pressure.

9
10 Stephen Farber,
11 Yes.

12
13 Councilmember Floreen,
14 Whatever. I just wanted to understand the math. So please, if I could just work this
15 through for myself at least. So this is being used to fund the '08 budget.

16
17 Council President Leventhal,
18 The school CIP.

19
20 Councilmember Floreen,
21 It is not extra, over and above, the funding plan as it exists today?

22
23 Council President Leventhal,
24 That's correct. It's in the school CIP, already tentatively approved by this Council for that
25 purpose.

26
27 Councilmember Floreen,
28 Right.

29
30 Council President Leventhal,
31 We did a straw vote already on the school CIP, which used this money for that purpose.

32
33 Councilmember Floreen,
34 The way it's presented is it suggests that it's used as an additional reserve. And that's
35 what I wanted to get clarified.

36
37 Stephen Farber,
38 Yes, and that's a good point, Ms. Floreen. The term "excess reserve" really applies to
39 '07. It is excess in '07 and it's being applied to '08 because that's when it's needed.

40
41 Councilmember Floreen,
42 Okay. Thank you. That's very helpful.

43
44 Council President Leventhal,



May 8, 2006

1 Mr. Silverman.

2
3 Councilmember Silverman,

4 Not to prolong the discussion, given the lateness of the hour, but you are absolutely
5 correct, Ms. Floreen, which is why I've asked for information about what our
6 assumptions are for '08 PayGo and state school construction monies because the
7 bottom line is if those monies were to be used for some purpose in '07, we would
8 absolutely have to find a substitute for them in '08. Otherwise our school CIP in '08 is
9 \$15.3 million out of whack. So sure to be a fun end-game.

10
11 Council President Leventhal,

12 Great. All right, well, that was very helpful. I'm glad Councilmembers were able to get
13 their questions answered and we understand the different components that we'll be
14 playing with over the next several days. And so what we're going to do now is turn to
15 Chairman Andrews and get through the Liquor Control and Board of License
16 Commissioners.

17
18 Councilmember Andrews,

19 Thank you, Mr. President. I'm joined by the Director of the Department of Liquor Control
20 George Griffin and Dennis Theoharis, the Director of the Board of License
21 Commissioners and staff, as well, from the agencies. And the major issues in these
22 budgets are as follows. But first let me say that the Executive has sent over a plan to
23 merge the Board of License Commissioners into the Department of Liquor Control.
24 We're going to be taking that up after the budget because that requires formal approval
25 by the Council, or at least it needs a formal plan from the Executive that the budget
26 document didn't include. So the Public Safety and Management and Fiscal Policy
27 Committee's going to meet after the budget to review that plan. So we're looking at
28 these budgets separately still in this budget. The major issues in the Department of
29 Liquor Control budgets are the potential addition of a store, probably in the Upcounty,
30 and the move of the Westwood store that will occur. There aren't substantial other
31 changes in the budget. The budget proposes a transfer of about \$23 million to the
32 General Fund, which is in keeping with what has occurred in recent years. There are
33 some minor movements between the divisions in the department. There is a significant
34 issue regarding -- and I think when I have Director Griffin comment on this -- on the
35 addressing of Enterprise Resource Planning and how the department is going about
36 that. And since other agencies in the County are looking at that now too, it might inform
37 us in terms of how we think about that. But if the Director can talk a little bit about what's
38 going on in addressing the need to put another Enterprise Resource Planning system in
39 place, I think that would be helpful for the Council.

40
41 George Griffin,

42 First of all, I don't want to take more time than we need, but I do appreciate the efforts of
43 the Public Safety Committee and the Council staff on this year's budget. And I want to
44 thank the full Council for your last support over the last several years. We've been



May 8, 2006

1 working hard to improve our operations and our standing in the community. And I think
2 we are having some success. So we do appreciate your consideration of this year's
3 proposed budget. There are two areas, as Chairman Andrews mentioned, that stand out
4 in this year's budget. One is the I.T. staffing level. You'll see five additional positions
5 included in this year's budget. These are term positions that are designed to facilitate
6 the transition to our new integrated I.T. system. We've worked very closely with DTS
7 and OMB to manage this project. And once it's installed and operational, we expect the
8 staffing complement to return to more traditional levels. So these are term positions to
9 get the right skill set on-site as we move through with the implementation. With us today
10 is also Victoria Lewis, who's a DTS employee but she's detailed to DLC and is the
11 Technical Project Manager for this project. So if we have additional technical questions,
12 she's prepared to answer them. The current status of the implementation is that we
13 have exercised very good management oversight, I believe, on the project up to now.
14 We've had good cooperation among departments of the County government. We were
15 at a position in the implementation of this project where we felt we had received -- the
16 County had received and benefited from all the efforts and monies we've expended on
17 it. We did have some concerns about the future implementation of the project. Some
18 timelines had slipped and so forth. So we did send a Notice to Cure to the vendor and
19 we've terminated the contract as it was originally issued because we didn't want to just
20 spend more time and effort in the hopes that at the end we would have what we
21 needed. But I think that the timing that we did exercise that option is good for us and we
22 feel good about the future. So I don't want to move on to the reorganization unless
23 there's other I.T. questions.

24
25 Council President Leventhal,

26 As I understand it, the Public Safety Committee is proposing that the substantive issues
27 related to the reorganization not be taken up now, with which I would certainly agree.

28
29 George Griffin,
30 Sure, okay.

31
32 Councilmember Andrews,

33 But I think it would be useful to have some thoughts from the Director about the planned
34 reorganization.

35
36 George Griffin,

37 Well, just -- we welcome the opportunity for a public hearing or a public forum. I think
38 that's going to demonstrate the broad public support we have. I do just like to say for the
39 record, it's important to recognize what this is and what it's not. It is not a proposed
40 reorganization of the Board of License Commissioners. That would require a change in
41 state law, which we have not anticipated. The Board will remain an independent
42 regulatory authority, as now constituted. The members will be appointed by the
43 Executive and confirmed by the Council. What is -- the proposal before you is for the
44 County support staff that supports the Board, where they will be housed. In years past



May 8, 2006

1 they were housed in various departments. They're sending out an independent agency
2 now, although they're housed in our building. The proposed reorganization would have
3 the support staff for the BLC under the umbrella of the DLC. And this is a bottom-up
4 proposal. The staffs at BLC and DLC have been working on this for some time. We
5 think it would improve the operations for both of our staffs. And so we brought this up to
6 the administration and then they asked us to go out and do the due diligence before
7 they would recommend it. So we can -- I think you will see broad support among many
8 stakeholders, including the Board of License Commissioners, the Alcoholic Beverage
9 Advisory Board, the Police Department, the Montgomery County Restaurant
10 Association and others when we get into the public hearing, but I guess I don't want to
11 launch a public hearing now...

12
13 Councilmember Andrews,
14 Right.

15
16 George Griffin,
17 You know, obviously we will comply with whatever the wish of the Council is, but we
18 would really welcome the opportunity that a public forum provides us.

19
20 Councilmember Andrews,
21 Okay, in terms of the budget of the Board of License Commissioners, it's a same-state
22 budget really except for the reinstitution of the requirement for hotels to -- and motels to
23 register kegs. So that's the only really substantive change in the Board of License
24 Commissioners' budget. And I want to recognize that Dennis Theoharis, the long-time
25 Director, is planning to retire soon and we're going to miss him. He has shepherded a
26 lot of changes through the BLC that I think have made it a very strong commission and I
27 appreciate all that you've done, Dennis, and enjoyed working with you.

28
29 Dennis Theoharis,
30 Excuse me. Thank you very much. I appreciate the kudos. It's been a long run and I
31 appreciate all the support I've had from the Council over the years. Our budget has
32 remained pretty consistent. As it is this year, it's just a slight increase, as you said, for
33 the hotel/motel surveillance and keg registration that we'd like to reinstitute. We didn't
34 have the funding last year. But basically our budget has always pretty much been
35 approved by the Council as we've submitted. A couple thousand here or there, but I
36 appreciate your support and I thank you very much.

37
38 Councilmember Andrews,
39 Okay, well, here's -- the committee is recommending approval of the Department of
40 Liquor Control budget at \$33,500,000, the Board of License Commissioners' budget at
41 \$1.04 million, and placing \$93,000 on the Reconciliation List to restore the Manager I
42 position for the Board of License Commissioners in the event that the Council did not
43 approve the proposed reorganization. And we'll have a joint public forum in June,



May 8, 2006

1 presumably after the budget, about the proposed reorganization. So that is the
2 committee recommendation.

3
4 Council President Leventhal,
5 Without objections, the budgets will be approved and we will come back at another time
6 to discussion the substantive issues associated with the reorganization.

7
8 Councilmember Andrews,
9 We do have a CIP now on the liquor warehouse expansion project. This is somewhat
10 deja vu all over again. We did go through this once before and really the things driving
11 the need for the expansion of the liquor warehouse are two major things. One is the
12 inadequate ability to store beverages on site. Already the department is having to pay
13 about \$333,000 a year to lease space to store and comply with beverage industry
14 standards -- industry standards for storing, mainly beer. And that is projected to
15 increase, perhaps double in the next few years if an expansion does not go forward.
16 The other need driving the expansion it to improve the safety of the facility. Right now
17 there are four palettes and Occupational Health Risk Management recommends three
18 levels in order to comply with workplace safety standards and reduce the risk. The
19 Council has considered this and the issue was really whether to go forward with this,
20 given that this site is part of the Shady Grove sector plan and could at some point be
21 relocated. However, it is near the tail end of the proposed movement of the facilities,
22 unlikely to move within eight years and it could be longer. And this project is ready to
23 go. There's an immediate need for it. We'll be putting a significant amount of money out
24 each year for leasing space if we don't do it. And we'll still have the worker safety issues
25 that can't be resolved any other way. So given these factors, the committee is
26 recommending approval and specifying that the expectation is that the facility would not
27 be moved, at least before 2014, which complies with the -- aligns with the eight-year
28 financing of this with the certificates, which should resolve any concern there that it
29 might move before the certificates were -- were through. So the committee is
30 recommending approval, given the fact that it's unlikely that this facility would move
31 within eight years and it might be significantly longer. And the need is current and
32 pressing for expansion now.

33
34 Council President Leventhal,
35 I want to comment on this and I want to just get my colleagues' attention to the fact that
36 just a few months after our adoption of the Shady Grove Master Plan, to this
37 Councilmember's understanding, based on my participation in several committee
38 hearings, the whole thing is unraveling. I don't see the transfer of the County Service
39 Park. And I'd be happy to be corrected and I'll be watching with great interest, but I was
40 approached recently by a private party that plans to purchase the Webb Tract for a
41 retirement community. And I was informed by the Director of the Department of Public
42 Works and Transportation that the Gude Landfill is totally inappropriate for construction.
43 So I know that there's an RFP out on the street. I will watch that RFP with interest, but
44 we have -- and I'm not disputing the need for a new liquor warehouse. I just think that



May 8, 2006

1 we may want to plan for the long-term for this addition at Shady Grove. I'm just not
2 seeing the grand plans of the Shady Grove Master Plan happening, in fact. So it's
3 something to watch, but I'm not seeing the available land. And I think the lesson to me --
4 and I never want to say -- well, the lesson to me is one that was raised at the
5 discussion, which was to look at a major facility and say we're going to move it and we'll
6 figure out where we're going to move it to later. That's not our problem. Because this
7 master plan only deals with this piece of the County. And at some point in the future,
8 we'll figure out where the rest of it is going to go. That does not constitute planning.
9 There's only 500 square miles of land Montgomery County. And we know where things
10 are and we know where things aren't. And the whole approach of the Shady Grove
11 Master Plan, to my way of thinking, was questionable in the beginning. To say we'll just
12 say pick it up and move it and we'll figure out where it's going to go later, and it now
13 appears that it's not going anywhere. So I just make that comment with no -- and I have
14 no problem with the recommendation of the Public Safety Committee.

15
16 Councilmember Andrews,

17 I also wanted to thank Justina Ferber for her good work on these budgets. Thank you,
18 Justina.

19
20 Council President Leventhal,

21 And there's a lot of lights on, Ms. Praisner.

22
23 Councilmember Praisner,

24 I think Ms. Floreen was first. Mr. Silverman, it's the whole PHED Committee, lights on.
25 We have not, as yet, gotten the rezoning piece for Shady Grove. And that leaves us in
26 an ex parte basis, as far as what requests there might be on rezoning issues. But at
27 some point I think we need a status report whether it's closed session because it's land
28 acquisition or whatever. But we need to know what actually is possible or not because
29 there's significant -- we knew it was going to be very complicated, but I think the
30 committee -- I think the committee and the Council need to brief.

31
32 Council President Leventhal,

33 Mr. Silverman.

34
35 Councilmember Silverman,

36 Thank you, Mr. President. I'll say the same thing now I said at the time of the Shady
37 Grove Master Plan, which is we were dealing with what we would like to see happen
38 around Shady Grove. If we had taken no action, we would not even have the possibility
39 of finding other locations for the pieces of the County Service Park. As far as I'm
40 concerned, unless the Council wants to undo the master plan that we just did, the
41 direction we've given to the Executive branch is go forth and find spaces for some of --
42 or all of this so that we can use the area around the Shady Grove metro for its highest
43 and best use, which is smart growth. I don't think we should back away from that
44 concept and I don't think we should be pessimistic about it. As long as the RFP is out



May 8, 2006

1 there, as long as people understand what opportunities present themselves. There are
2 a lot of creative people out there and the fact that the Webb Tract had been identified as
3 sort of Target "A" and is no longer the case, or the Gude Drive landfill site, doesn't mean
4 there aren't other opportunities if people want to actually make it happen. And I would
5 hope that, as a County, we would want to make our smart growth efforts happen around
6 Shady Grove.

7
8 Council President Leventhal,
9 Ms. Floreen.

10
11 Councilmember Floreen,
12 I think it's -- thank you. I think it's a little premature to reach any conclusions about
13 Shady Grove. And I am a little concerned that there is that perception. And obviously it's
14 going to play into the Sectional Map Amendment. But I would like to ask perhaps that
15 we get a quick and dirty response from the planning staff and Marlene about the
16 situation, rather than make assumptions until we hear from staff. Because I was under
17 the impression when we did the plan and I continue to adhere to that view. At least what
18 I heard was that there were a variety of options that would be considered and the
19 elimination of some of those options does not preclude other options. Obviously there is
20 an RFP out there and that will be the final resolution of that. But let me suggest that we
21 get a quick update from planning staff as to the implications of what we've heard so far
22 so that the record and our knowledge is consistent about the status of the Shady Grove
23 initiatives. So, Justina, if you could talk to Marlene about that. Thanks.

24
25 Council President Leventhal,
26 Mr. Andrews.

27
28 Councilmember Andrews,
29 Thank you. I want to just that I think Director Griffin has done a very good job of working
30 with all the stakeholders to make the department customer friendly and work for
31 continuous improvement. I think it's on a good course. I did want to see if there's
32 anything else you wanted to add to the discussion.

33
34 George Griffin,
35 [INAUDIBLE]

36
37 Councilmember Andrews,
38 Okay. Probably a forum but -- it could be. Okay, good. Well, we look forward to having
39 you there too.

40
41 Council President Leventhal,
42 Okay. Thank you to both departments and look forward to working with you. So we are
43 now going take up the NDA on inauguration and transition, item 9.



May 8, 2006

1 Councilmember Praisner,

2 Yes. Thank you. I'm trying to find it. I've got every one but that one. So why doesn't --
3 oh, thank you. Obviously this is an election year, if we hadn't noticed, and that means
4 that we have to put in the budget the item for inauguration and transition, which
5 basically covers the event of the inauguration. The MFP Committee reviewed that and
6 recommends approval -- pardon me?

7
8 Councilmember Denis,
9 Where'd Silverman go?

10
11 Councilmember Praisner,
12 I don't know, I guess he didn't think it was important.

13
14 [LAUGHTER]

15
16 Councilmember Praisner,
17 The funding is \$100,000 for the inaugural ceremony and transition services for incoming
18 Councilmembers and County Executive. I had asked a question because the
19 requirement -- just to make sure what -- if there's any requirement about the Oath of
20 Office being administered in the County Seat. Because of course we know we've had
21 the event in the past at Richard Montgomery. And given construction on site, et cetera,
22 Richard Montgomery would not be viable. And I wanted staff to both research any
23 requirement and also start working on locations given that challenge. But the committee
24 recommends approval of the \$100,000. And I can move down to the others.

25
26 Council President Leventhal,
27 Yeah, without objections, it will be agreed to.

28
29 Councilmember Praisner,
30 Okay, the Nondepartmental Account also includes the funding for boards, committees
31 and commissions for PTI, which is the organization we belong to, for the Council of
32 Governments and for the county associations MACo and NACo. The Management and
33 Fiscal Policy Committee recommends approving the budgets as submitted with a note,
34 of course, that in the context of the memberships, that dollar amount will be whatever
35 the dues requirement is. And dues for these organizations are based on population in
36 many cases -- in most cases, for the county associations. So that will reflect whatever
37 the structure is. The only other comment I would make about boards, committees, and
38 commissions is that outreach appears to have been successful in that more of our
39 board members are taking advantage of the additional funds for reimbursement for
40 mileage and for dependent care. And that's good because we want them to participate
41 and not to have that become an impediment for participation. The other comment I want
42 to make, since this is the last budget for the Duncan administration, is I want to
43 compliment Debbie Goodwin and all the staff in the Executive Office who've been
44 involved in the processing of the myriad of applications and of working to streamline and



May 8, 2006

1 get that process to be as efficient as I've ever seen it, but also for the work that they've
2 done on the website and and in the handbook and in the training so that -- and any of
3 that work that is associated with making sure that those who might apply and who are
4 appointed also understand the responsibilities and the ethics and other requirements
5 under which they operate. Also thank Debbie and staff for their support and assistance
6 as we went through the partnership process of reviewing the recommendations from the
7 committee of evaluation and review of boards and committees. And thank Justina for
8 her continued work on that, as well.

9
10 Council President Leventhal,
11 Okay, so without objection, that NDA will be agreed to.

12
13 Councilmember Praisner,
14 The next item is the one associated with the Charter Review Commission. The
15 Management and Fiscal Policy Committee recommends that the Council reduce the FY
16 '07 Nondepartmental Account for the Charter Review Commission by \$400 and approve
17 the Nondepartmental Account then for \$100. As you know, the Charter Review
18 Commission in getting organized, this is the beginning. We would be creating a new
19 Charter Review Commission. In the past, there have been zero dollars in that first year
20 expended, and we thought that the \$400 was more a reasonable amount than the \$500
21 requested in this year's budget. And that was a unanimous recommendation.

22
23 Council President Leventhal,
24 This appropriation of \$100 has got to be the single smallest decision that the Council is
25 making in this budget. Without objection.

26
27 Councilmember Praisner,
28 Okay, talk about a moving target, the next and last item, I guess, for this morning is
29 utilities in the FY '07 Operating Budget. As you know, we have created the structure that
30 has a committee of all of the agencies that come together to review utility costs and to
31 try to collectively set the rates. Each of the agencies then applies those rates to their
32 individual needs, depending upon facilities and vehicles. The committee recommends
33 approval of the Structure and Utilities Management and also for the piece associated
34 with County government. But notes that given the escalating costs in utilities, this is
35 going to be a continuing challenge in the coming fiscal year, as well. We are -- also as a
36 committee look at issues associated with take-home vehicles. I know the T&E
37 Committee reviews the fleet management issues, but what I wanted to comment on is
38 that I think in the next fiscal year, we need to re-examine not only take-home vehicles,
39 but the number of vehicles in the motor pool, et cetera, and those policies to ensure
40 that, one, we minimize both the number of vehicles to the extent we can, but also that
41 we review the policies for controls on those vehicles to prevent personal use of those
42 vehicles. Obviously everyone wants to follow the rules, but when personal gasoline
43 costs may be going up as much as it is, I think the potential lies there for folks to take



May 8, 2006

1 advantage of the public vehicles that may be available. And with that, that's the end of
2 the committee's recommendations.

3

4 Council President Leventhal,

5 And we are right on time. There are no questions? Thank you, Chairwoman Praisner.

6 The Council will reconvene at 2:00 PM. There is a conference call for some of us with
7 our Prince George's counterparts in prep for the Bi-county meeting later this week so

8 we're going to delay the restart of the Council session until 2:00 PM. See you then.

May 8, 2006



1 Council President Leventhal,
2 We are going to turn to the Park and Planning budget. And we're going to hear from
3 Chairman Silverman. And the distinguished Chairman of the Planning Board and
4 anyone he wants to bring with him should have their seats. Let me also ask my
5 colleagues -- I mean, I have already publicly -- and I know many of my other colleagues
6 will want to extol the outstanding service of the Chairman. Let's hold that today because
7 there will be other opportunities. So we have a lot of agencies before us this afternoon,

8
9 Councilmember Silverman,
10 Charlene Nunley's eulogy was a little earlier but fortunately it was cut short,

11
12 [LAUGHTER]

13
14 Council President Leventhal,
15 I mean I cut that one off, too. So there will be opportunities to praise you and many,
16 many good reasons to praise you, but we'll do that in future. Let's proceed with the
17 budget. Chairman Silverman,

18
19 Councilmember Silverman,
20 Thank you, Mr. President. Does Chairman Berlage or his colleagues have anything
21 they'd like to say before we get into the budget?

22
23 Derick Berlage,
24 Yes, if you don't mind, just a couple of brief words about this budget. First of all, I want
25 to thank the Committee, Marlene, and the many members of the Park and Planning staff
26 who worked on this budget. They've all done an excellent job. As we told you when we
27 spoke at your public hearings, we have two overriding priorities in this budget. The first
28 is the reform of Development Review and the second is to enhance the maintenance of
29 the Park System. There are many other things in the budget but those are the two big
30 themes. And the reform of Development Review is well underway. As you know, we've
31 completely nearly half of the 62 reforms that we promised last fall. You can already go
32 on our website and get basic information about every Development Review application.
33 All of our staff reports on regulatory matters are available on the web ten days before



May 8, 2006

1 our hearings. We've gone to the Clarksburg community twice for on-site hearings and
2 we'll be going to other communities around the county, as well. We audited 116 site
3 plans and all but a handful of those came up clean. That's a point that seems to get
4 forgotten. But I want to remind everyone, we looked at everything approved within the
5 two years. And in the vast, vast, vast majority of cases, every application had been
6 handled entirely correctly. So we've made a great progress, but the money in this
7 budget will allow us to finish the job of making the Development Review process a
8 model of transparency, accuracy, and accountability. And on the Parks Department side
9 of our budget, we continue to focus on maintenance. You gave us a hefty bit of support
10 last year to help us address our maintenance backlog and we've made good use of that
11 money. Our maintenance backlog is down 80%, which is a tremendous achievement,
12 and I want to thank the people sitting behind me who made that happen. And renovation
13 of the infrastructure, we're also doing very well there. We've doubled the number of ball
14 fields that we're renovating every year and doubled the number of playgrounds that are
15 being replaced every year. And our volunteer hours are up 30% over the last several
16 years. The most important thing in this budget that you're about to look at is, in fact, the
17 budgetary support for technology. There's a large amount of money on the
18 Reconciliation List. I have a very simple, but very dominant message I want to convey
19 today. It is critically important that the Council keep on the Reconciliation List, the
20 technology money that the Committee generously put there. And it is even more critical,
21 of course, that on Reconciliation Day, that money actually get placed in our budget. The
22 technology money is critical for Development Review. It's critical to do a better
23 maintenance program in our Parks Department. And most important, we are focused on
24 management, on great accountability in everything that we do, not just Development
25 Review, but across-the-board. We need the technology in order to manage our people
26 well and our resources well. Faroll and Mary need it for that purpose and we really hope
27 that you'll be able to support that money at the end of the day. Thank you very much,

28
29 Councilmember Silverman,
30 Okay. Yeah. Well, if there aren't any questions..,

31
32 [LAUGHTER]

33
34 Council President Leventhal,
35 Thank you very much, Mr. Chairman. We'll go through the overview,

36
37 Councilmember Praisner,
38 Let me just comment, if I may. A couple of the Councilmembers -- and I've just been on
39 a conference call and it's kind of hard to hang up and come back, so they should be
40 here shortly. And I think if you start with the presentation...

41
42 Councilmember Silverman,
43 Yes, George said that's what we should do. Okay, there's a summary of what the
44 Committee did on page two. The PHED Committee got the scalpels out. Actually it



May 8, 2006

1 wasn't that hard. We had a lot of help from staff. And we put nearly \$3 million of
2 reductions, proposed well in excess of the \$100,000 reduction needed to meet our SAG
3 guidelines. Committee also recommended \$1.6 million on the Reconciliation List, which
4 we'll get to, virtually all of which were technology improvements, and we certainly -- the
5 Committee was very supportive of the Chairman's position and comments about the
6 need for technology support. And it certainly makes sense in terms of the resources that
7 we have, to be looking at much needed onetime expenditures. Let's go to -- let's just go
8 to major changes. There's another box on page three which explains the summary of
9 tax-supported funds, in terms of what the request was, what the SAG guidelines were.
10 The Executive recommended a 6% increase. The PHED Committee recommendation,
11 including all the Reconciliation List items, is 4.8%. But again, the lion's share of the
12 monies that we were able to find cuts relate to not increasing reserves, increasing the
13 Park Fund LAPSE and decreasing the Administration Fund due to increased
14 Development Review fees so that more fees are paid by the users of the system, rather
15 than the general taxpayers. Let's see. Major changes in the FY '07 budget are on the
16 top of page four. In terms of Operating Budget impact for new and expanded parks,
17 COLAs and merit increases, career-band extension, health benefits, retirement, utilities,
18 and risk management. So let's start with some of the recommendations. The first was a
19 Committee recommendation unanimous was to not support the requested increase in
20 reserves from 3 to 4%, resulting in a budget reduction of \$903,200. The Park and
21 Planning had made a case for why there ought to be an increase in reserves but not, in
22 the opinion of the Committee, an overwhelming case, particularly since Park and
23 Planning has maintained a AAA bond rating with its 3% reserve. And our general fund
24 reserves are available for backup source of funding, if necessary. And I appreciate the
25 Chairman's candor during our Committee process, that it was far more important to free
26 up dollars for technology than it was to move in this direction. We appreciate the
27 candor,

28
29 Derick Berlage,
30 We trust you will remember,

31
32 Councilmember Silverman,
33 Yes. Vacancies in LAPSE, we went...

34
35 Councilmember Praisner,
36 Do you want to ask a question now?

37
38 Councilmember Silverman,
39 Oh, yes, sorry. Fire away,

40
41 Councilmember Knapp,
42 I just wanted to get a sense of what the argument was from the agency as to why they
43 go from three to 4%. And why now, since you've been at 3%. Not having been a part of
44 the Committee, doesn't need to be a long explanation, just wanted to get -- We're



May 8, 2006

1 having lots of discussion about reserves and where things go, and so I was just curious
2 as to the rationale,

3
4 Derick Berlage,

5 Sure. Well, in addition to the fact that we can support this cut on the understanding that
6 hopefully the money will be used to fill our technology gap. I'll let Mr. Crawford explain
7 why the budget originally contained this requested increase. Mr. Crawford,

8
9 Bruce Crawford,

10 One of the largest was a situation that actually only partially hit Montgomery County, but
11 hit Prince George's fairly hard a couple of years ago, which was the Chapter 11 filing
12 from the Mirant Corporation, which, among other things, operates the Chalk Point
13 Power Plant in southern Prince George's County. In fiscal year 2004 we lost, at least
14 temporarily, \$2.7 million worth of revenue in property tax revenue in Prince George's
15 because of that Chapter 11 filing. And quite frankly, it kind of spooked us a little bit. And
16 in light of that, in light of other issues out there, such as the -- what we're going to do
17 with the GASB regulations in 2008, we thought it was a good time to try to beef up our
18 reserves,

19
20 Councilmember Knapp,

21 Okay. What's your GASB requirement?

22
23 Bruce Crawford,

24 This would be the post-employment..,

25
26 Councilmember Knapp,

27 Right, but how much will your share be?

28
29 Bruce Crawford,

30 A couple of years ago, when it was done the first time, it was \$14 million between the
31 two counties. We are undergoing another actuarial review to see how it's grown in
32 subsequent years,

33
34 Councilmember Knapp,

35 It won't be any less than \$14 million, so you'll be..,

36
37 Bruce Crawford,

38 I would doubt it, yes,

39
40 Councilmember Knapp,

41 ...have a plan for next year to -- you may have to fund the \$14 million but at least have a
42 plan to figure out how to fund that 14,

43
44 Bruce Crawford,



May 8, 2006

1 We're obviously going to work in conjunction with what the two county governments are
2 doing and we'll act accordingly,

3
4 Councilmember Knapp,

5 Okay, so it wasn't -- it was more a reaction to what Prince George's County saw. It
6 wasn't anything in particular, but the 3% that we've had was probably not a bad thing, all
7 other things notwithstanding,

8
9 Bruce Crawford,

10 No, it's a decent level of reserve,

11
12 Councilmember Knapp,

13 Okay. All right. Thank you,

14
15 Councilmember Praisner,

16 I think the comment in the Committee, if I may add to Mr. Silverman's comments, was
17 that in the context of all these other issues, we need to continue to look at the reserve
18 question, but since the issue hasn't been raised at this point it was reasonable for me to
19 stay at three,

20
21 Councilmember Knapp,

22 Yeah, I think it makes sense. That's why I was curious if it's been at 3%, why did it go
23 up to four now?

24
25 Councilmember Praisner,

26 But that doesn't suggest that at some point in the future, we may have need to go to 3.5
27 or four, but that we need to look at it in the context of those other issues,

28
29 Councilmember Knapp,

30 Okay. Thanks,

31
32 Councilmember Silverman,

33 Okay. Move on to vacancies in LAPSE. We had an extensive discussion, as the
34 Committee has had for years, about the LAPSE issue, and in particular, actual
35 vacancies versus paper vacancies. Bottom line is staff recommended, and the
36 Committee supported, an increase in the LAPSE for the Parks Department by 2% from
37 5.5 to 7.5%, which results in a \$976,000 savings. We don't believe this will have any
38 adverse impact, even after absorbing the transfer of a number of employees from
39 Enterprise fund golf programs, park fund vacancies are still at 8%, so we think this is a
40 more realistic number to use. Let's go over to the technology requests. All right, this is
41 important, and it'll be listed this way, assuming there are no problems, at full Council. It'll
42 be listed this way on the Reconciliation List, which is the priority funding for Park and
43 Planning's technology requests. It's on page six. There are 11 items. First one is
44 Information Systems Backup Redundancy Recovery, \$450,000, which is to fund



May 8, 2006

1 initiatives to safeguard against interruptions of Park and Planning major I.T. systems
2 through disaster avoidance and recovery. The backup systems are out of date, don't
3 function properly, and we were very supportive of this. Second item is security and
4 issues, \$87,500 would fund improvements to the security regime of the network at Park
5 and Planning and apportion network security improvements at the Central
6 Administrative Services. And we'll move on to the third item, network infrastructure,
7 maintenance and enhancements, \$210,000. The core infrastructure of the network,
8 such as routers and switches, are more than 15 years old and the Department believes
9 that this should be categorized as red, meaning obsolete or vulnerable, critical system
10 in immediate risk of failure. So the Committee was very supportive of this, as well. Park
11 Police mobile data terminals, \$240,000. We shipped this over to the Public Safety
12 Committee, which you'll get to later. [Phaser] system upgrades, \$75,000. The
13 Committee understood from staff and from the Commission that the system identifies
14 ways to save wasted energy and would more than pay for itself. SAN upgrades and
15 support..,

16
17 Marlene Michaelson,
18 On this one, if I could just correct what's written here. This was actually a 2-1 Committee
19 recommendation against funding the SAN upgrades. So the summary is correct on
20 page six but not on seven. Ms. Praisner did support it. The rest of the Committee did not
21 feel it should be funded at this time,

22
23 Councilmember Silverman,
24 Okay, we did not put this on the Reconciliation List,

25
26 Derick Berlage,
27 You can change your mind,

28
29 Councilmember Silverman,
30 Okay. Five, which is [[Phaser]],

31
32 Marlene Michaelson,
33 Five -- yes, it's number four,

34
35 Councilmember Silverman,
36 Oh, I'm sorry... Oh, I'm sorry. Five, yes, I didn't explain what six was,

37
38 Marlene Michaelson,
39 Right, you were just about to start too and I interrupted to clarify,

40
41 Councilmember Silverman,
42 Yes, and you were like leaping in to tell us it's not on the Reconciliation List. That's right.
43 Despite fact that it says the Committee supported the request, we did not support it. We



May 8, 2006

1 thought it was a terrible idea. I can't remember why we -- any recollection of why we
2 voted that way?

3
4 Marlene Michaelson,
5 Ms. Praisner didn't,

6
7 Councilmember Silverman,
8 Does staff remember why the majority of the Committee decided it wasn't supposed to
9 be on the Reconciliation List?

10
11 Marlene Michaelson,
12 I think when you first considered it you thought it was less of a priority than some of the
13 others not necessarily..,

14
15 Councilmember Silverman,
16 I think we should put it on the list,

17
18 Councilmember Praisner,
19 I do too,

20
21 Councilmember Silverman,
22 It's their sixth priority, so you know,

23
24 Councilmember Knapp,
25 Without objection, it'll be placed on the Reconciliation List,

26
27 Councilmember Silverman,
28 Okay. All right, Microsoft Windows Exchange Office 2003, \$287,500, migrating the
29 Microsoft platform from the old to the new. We do not want vulnerable and less reliable
30 systems,

31
32 Council President Leventhal,
33 I got to ask, that seems like such a routine thing. Why are we having to add this above
34 the Executive's budget. Why wouldn't we be doing this just a matter of course?

35
36 Karl Moritz,
37 Well, I'm not sure that I have the answer to that. We had identified this as a need in the
38 fall so it had not made it into the ordinary...

39
40 Councilmember Praisner,
41 This was in '06,

42
43 Council President Leventhal,
44 Some of these were '06 supplements,



May 8, 2006

1
2 Karl Moritz,

3 It was one of the initiatives we'd identified for the '06 supplement. I guess that's the
4 correct answer,

5
6 Council President Leventhal,
7 Is anybody here from DTS?

8
9 Councilmember Praisner,
10 No, they won't be here,

11
12 Council President Leventhal,
13 All right, well, let's just make a note. I'd be curious how many County departments are
14 operating with software that's no longer serviced by the vendor,

15
16 Unidentified Speaker,
17 Lots,

18
19 Councilmember Praisner,
20 Well, I'm not sure "lots," 'cause we've been trying to work on that. There's some,

21
22 Council President Leventhal,
23 Okay. Go ahead, Mr. Chairman,

24
25 Councilmember Silverman,
26 Okay, phone system modernization, \$300,000. It's a 15-year-old phone system no
27 longer supported by the vendor, and more importantly, it's transferable over to a new
28 site, assuming that we get them a new site. Videocasting for the Planning Board. For
29 those that just can't get enough of us, for people who are still awake after watching us in
30 the middle of the night, there's always a chance to watch the Planning Board. \$100,000,

31
32 Unidentified Speaker,
33 There's always the School Board,

34
35 Councilmember Silverman,
36 Oh, there's always that,

37
38 Multiple Speakers,
39 [INAUDIBLE]

40
41 Council President Leventhal,
42 Okay, Ms. Praisner wanted to comment,

43
44 Councilmember Praisner,



May 8, 2006

1 When the MFP Committee discussed the cable fund one of the issues that we talked
2 about -- and when we get to the cable fund, but I'm not sure of the timing of when cable
3 comes to the Council, and Park and Planning's budget obviously needing some
4 Reconciliation before Thursday -- but we also discussed expanded opportunities for
5 broadcasting of Planning Board meetings and have a proposal on the Reconciliation
6 List to use some cable funds for the Planning Board. We also had some
7 recommendations for the school system, you'll be happy to hear, folks,

8
9 Councilmember Silverman,
10 I think we all have a few recommendations,

11
12 Councilmember Praisner,
13 Well, dealing with broadcasting of their meetings and...

14
15 Councilmember Andrews,
16 Including five-second delay,

17
18 Councilmember Perez,
19 Including content censorship,

20
21 Councilmember Andrews,
22 Five-second delay,

23
24 [LAUGHTER]

25
26 Councilmember Praisner,
27 No comment. So I don't know how we want to handle it. It's not the \$100,000 obviously,
28 but there could be some cable fund source for supporting some of this. So I just wanted
29 to alert that we can work on that,

30
31 Councilmember Silverman,
32 All right. Next one, completion of the Kronos Timekeeping System. This is a
33 timekeeping system which, as the Committee understands it, has had great success on
34 the planet of Kronos, and so we're going beyond our own borders. This will replace the
35 paper timesheet system. \$45,000. Finally, the P2K Human Resources software at
36 \$20,000, the Personality 2000. Is that anything like the computer Hal in "2001"?

37
38 Karl Moritz,
39 In many ways they're similar, yes,

40
41 Council President Leventhal,
42 This is the software that will give Karl Moritz a personality,

43
44 [LAUGHTER AND BOOING]



May 8, 2006

1
2 Karl Moritz,
3 It'll take more than \$20,000 to do that,

4
5 Councilmember Silverman,
6 All right, that's the technology items. And I know this is probably going to seem like a
7 stupid question, but I'll ask it anyway. Are any of these pieces separable? You know, I'm
8 not asking you to bid against yourself, but I don't recall us having a discussion in
9 Committee. In other words.,

10
11 Unidentified Speaker,
12 [INAUDIBLE]

13
14 Councilmember Silverman,
15 No, no, that's not what I mean. I mean in other words, I know we could pick the first five
16 off, but what I'm saying is when you get down to, for example Microsoft Windows
17 Exchange Office 2003, is that an entire system, as opposed to pieces of a system? I'm
18 just raising this, not because I'm not going to support this, but I'm just saying at the end
19 of the day we don't know how much of these 11 things will come off, and so -- you don't
20 have to answer this now. I guess it would be just be helpful to know if any of these have
21 pieces attached to them. So in other words, we either got to fully fund it or not fund it,

22
23 Karl Moritz,
24 Some of them are and it depends on the item, so I'd be glad to get back to you,

25
26 Councilmember Silverman,
27 Yeah, let us know. That's fine. Let's move on to -- yes,

28
29 Councilmember Floreen,
30 This is something I didn't ask in Committee, Karl, so forgive me. But in your '06 budget,
31 apart from the upgrades that were discussed a couple months ago, we must have
32 approved technology increases in the '06 budget,

33
34 Karl Moritz,
35 Our FY '06 technology budget was mostly just a maintenance of effort budget. We had a
36 little bit of -- the two things that we did invest in were a little bit of professional services
37 money for network infrastructure, but that was mostly on how to maintain the existing
38 system working. The second big investment that the Council funded was PC
39 replacement. And that was an ongoing project to replace four-year-old and older PCs
40 with newer ones,

41
42 Councilmember Floreen,
43 So it wasn't onetime money?



May 8, 2006

1 Karl Moritz,
2 No,

3
4 Councilmember Floreen,
5 So how much was that in '06, do you remember?

6
7 Karl Moritz,
8 The PC replacement money is about \$200,000 a year,

9
10 Councilmember Floreen,
11 So you're already doing that?

12
13 Karl Moritz,
14 Yes, and that's why you're not seeing PC replacement as a request here,

15
16 Councilmember Floreen,
17 Well, it's now built in,

18
19 Karl Moritz,
20 Right. That's correct,

21
22 Councilmember Floreen,
23 So for those, presumably you have included -- do the new computers have the network
24 platform improvements?

25
26 Karl Moritz,
27 The new computers are the -- as a PC, they've got the newest level of technology on
28 the PC, but they don't effect the network at all,

29
30 Councilmember Floreen,
31 Okay, thank you,

32
33 Councilmember Silverman,
34 Okay, we're on to the Administration Fund. This is \$24 million and some change,
35 representing a 3.7 increase over the FY '06 budget. The chart summarizes the
36 Administration Fund requests in comparison to previous years. That's the chart on page
37 nine. Under Program Measures -- we will get to details later. Under Program Measures
38 the Committee supports staff recommendation to identify one or more program
39 measures each year that the Department can focus on for the following year's budget.
40 For the Administration Fund, Park and Planning should develop performance measures
41 relating to Development Review and more comprehensive measures for recruitment
42 and hiring for the FY '08 budget. Yep, there it is,

43
44 Council President Leventhal,



May 8, 2006

1 I have to, it's a performance measure,

2
3 Councilmember Knapp,

4 This was a conversation we had a lot in Public Safety Committee this year. As
5 everybody talks about performance measures, much of what's been done to date -- a lot
6 of it has been lip service. Not that people aren't interested in it, but are measuring things
7 for the sake of showing the measurement. And the one thing that we talked about a lot
8 was identifying measures that you will actually utilize within the agency to make better
9 decisions, as opposed to coming up things that you're showing us that you measured.
10 And I guess I would just put that out there, is you're going to go back, given the staff
11 recommendation to pick one or two things to really hone in on. Yes, it's good to identify
12 those things so you can show what those resources being allocated, but what helps you
13 make better decisions? How do you know you're doing the job better or more effectively
14 so then you can articulate that back to us. So I just encourage you to take that into
15 account. We had that discussion with Fire and Rescue and Police and others, but -- you
16 know, everybody can come up with lots of things to measure and show we've got a big
17 stack. I'd encourage you not to do that, but find the five or six things that are of
18 significance and help you make better decisions,

19
20 Derick Berlage,

21 Well, it'll probably reassure you that our new Parks Director and our Acting Planning
22 Director have both, on their own, been pushing the Board on those issues. They agree
23 with you completely. They want those measures so they can do their jobs more
24 effectively, so I think you're going to see more of that,

25
26 Councilmember Knapp,

27 Okay. Go ahead, Mr. Chairman,

28
29 Councilmember Silverman,

30 Sure. Okay, we're now into the Work Program. The Committee had an extensive and
31 lengthy discussion about the Program of Work. This is the first time that anybody can
32 recall that the Council discussed the Program of Work at the same time as the budget.
33 And I think we all thought it was an excellent start, because normally what happens is
34 we pass a budget, they come -- actually no, it works the other way around. There's a
35 discussion about their Work Program. We ask them for a whole bunch of stuff. Then we
36 go pass a budget but none -- but they haven't really figured out whether they can
37 accommodate all this or not. And so we just decided to do it, I think, a more efficient
38 way and had a discussion with extensive spreadsheets, et cetera, et cetera, that
39 outlined what they estimated their Work Program to be and how much time would get
40 allocated to it. Part of -- were you going to hand something out, Marlene?

41
42 Marlene Michaelson,

43 I do have their, sort of, color chart with allocation of work time if the Council wants to
44 see that, and an updated Master Plan Schedule that I just got,



May 8, 2006

Councilmember Silverman,
Sure. I think...

Council President Leventhal,
I have a question,

Councilmember Silverman,
Yes,

Council President Leventhal,
Okay, we are not approving their work plan today; is that correct?

Councilmember Silverman,
Right,

Marlene Michaelson,
The sole thing that you do approve during the resolution is the Master Plan Schedule. That is part of the resolution and I'll pass out the revised one. The Work Program discussion beyond that occurs when you have the semi-annual report, which will happen this year in June,

Councilmember Silverman,
So for example, the green infrastructure master plan, which we know we've got a lot of communication about, apparently there's some concern, based on the discussion that we had in Committee, that somehow this was eliminated, but it wasn't. We're going to have a detailed discussion on the plan when we have our semi-annual meeting with them in June and the same would be true of the Smart Growth Audit. So the only thing that is specific is this Master Plan Schedule that's -- that's before us,

Council President Leventhal,
Well, is it in order now to talk about another idea, which I've discussed with many of you, regarding religious institutions?

Councilmember Silverman,
Sure, can I just -- before we get to that, if I may, just highlight, since it's very short, a couple of things here. We did support the Planning Department's recommendation to set aside 5% of staff time for continuous improvement and implementation of the Management Improvement Plan. No assumption was built in that they would do everything we asked them to do and somehow this would be done or not done. So we appreciate the fact that this was outlined by Farroll and the Board to make sure that's specified and that's in this color chart that we have in front of us. And the other piece, besides the fact that we're going to come back to the Smart Growth Audit and the green



May 8, 2006

1 infrastructure master plan, is the Master Plan Schedule where we added specifically --
2 actually this -- isn't this supposed to be Battery Lane?

3
4 Marlene Michaelson,
5 "Battery Lane" is added,

6
7 Councilmember Silverman,
8 No, the page 11 says "Bradley,"

9
10 Marlene Michaelson,
11 Oh. Battery Lane. It should be Battery,

12
13 Councilmember Silverman,
14 It's Battery Lane,

15
16 Derick Berlage,
17 We'd better fix that in a hurry. For the record, we're not doing anything to Bradley Lane.
18 Nothing at all,

19
20 [LAUGHTER]

21
22 Councilmember Silverman,
23 All right. So Battery Lane and White Flint have been amendments, have been added to
24 the Master Plan Schedule. For recollection of the Council, when we got the Woodmont
25 Triangle Master Plan Amendment, we shipped Battery Lane back to them in light of the
26 impending folks coming from Walter Reed as part of the BRAC closure of Walter Reed
27 and asked them to look at Battery Lane in that context. And during discussions that we
28 had about the annual growth policy, there was sentiment and in fact even support to
29 deal with the White Flint area and the Metro Station Policy Area and to look at what
30 options might occur in the White Flint area in order to move this process along. We had
31 a discussion with the Planning Board and they're prepared to take on what we're
32 characterizing as a White Flint Amendment, which is limited in scope and could perhaps
33 serve as the first test case for the Centers and Boulevards concept since it's adjacent to
34 a Metro. We will have extensive work done and discussions about Centers and
35 Boulevards, but we thought this was something that could happen at the same time as
36 the White Flint amendment. I think -- you're the President, you get the first question,

37
38 Council President Leventhal,
39 Well, as a Councilmember, I'm been waiting to answer the question and I let you know
40 that,

41
42 Councilmember Silverman,
43 Oh, yes,



May 8, 2006

1 Council President Leventhal,
2 I told you just a few minutes ago I had a question and you said wait,

3
4 Councilmember Silverman,
5 Yes you did, and this would be the appropriate time,

6
7 Council President Leventhal,
8 Thank you. I appreciate it,

9
10 Councilmember Silverman,
11 And you're the President,

12
13 Council President Leventhal,
14 True, but I'm acting at the moment as a Councilmember. Along with Mike Knapp, for
15 quite some period of time, I've been in contact with Chairman Berlage and have raised
16 on a number of occasions my sense that we need some sort of inventory of religious
17 institutions in the County and what their likely near-term and long-term growth needs
18 are going to be, such that we can identify whether, indeed, it is true that we're building
19 communities. Land is scarce. The value of land for residential development is so high
20 that we're creating an ongoing problem for ourselves by attracting more new
21 homeowners without anyplace for them to observe their faith, because the religious
22 institutions are being priced out of the real estate market. And we've heard a lot of
23 concern about that in connection with the RDT zone and it seems to me that really
24 having a sense of which congregations are growing, which congregations may have
25 near-term and long-term needs, can congregations work together, can congregations
26 identify ways of using -- you know, used church facilities as growing churches vacate
27 smaller spaces, can smaller congregations move in? I don't know how to articulate this
28 better than what I have and it's not the first time I've tried. Mr. Knapp circulated a memo
29 a few months ago with some specific proposals for zoning incentives. At the time that
30 the Shady Grove Master Plan was before us I recall that the Sierra Club had some
31 suggestions for religious uses in the new TOMX zone. We haven't done anything with
32 these ideas yet. And if indeed -- which I had not been clear on we're actually adopting
33 this today -- I need advice as to how to get a religious institution survey included in it, if
34 indeed that's the right place for it,

35
36 Marlene Michaelson,
37 I just want to clarify that this particular schedule only deals with master plans, and so
38 other parts of the Work Programs such as studies will be ones that you can look at and
39 will, in fact, look at in June. Certainly the Council can discuss that today, but it will not
40 be your last opportunity to discuss other Work Program issues other than master plans,

41
42 Councilmember Silverman,
43 That's fine, but having said that, the concern that I think is okay, so we load up a bunch
44 of things in June onto the Program of Work and then they can't do it. So I guess the



May 8, 2006

1 question would be, and maybe the answer is, it doesn't get finalized right now at 20
2 minutes of 3:00, but the question that needs to be answered is what kind of time
3 allocation would be needed for something along these lines, in terms of additional
4 personnel, or does this get rolled into the prioritizations that you already have?

5
6 Faroll Hamer,

7 For the record, Faroll Hamer. We did talk about this a little bit before. There's just two
8 points. The first point is that, as Marlene said, this is just master plans. There is a
9 number of items on the Work Program, such as the Ag Reserve, we're dedicating
10 several work areas to that. The Centers and Boulevards, that's not a master plan. Other
11 things that we've talked about, the growth audit, the green infrastructure plan, those are
12 not master plans, so there are areas from which we can add and subtract work without
13 necessarily changing the Master Plan Schedule or the work areas dedicated to the
14 master plan. That being said, the point of the Work Program budget is to make it clear
15 to everyone that when you add something, something else has to come off. So there
16 are opportunities. Just because the master plans are tied down doesn't mean everything
17 is tied down. There's still opportunities to move, add, subtract, et cetera, but they're
18 more limited once you tie the master plans down and once you buy into the whole
19 concept of the Work Program being tied to the budget,

20
21 Council President Leventhal,

22 Okay, so how do I advance this in such a way that it actually gets done?

23
24 Faroll Hamer,

25 The last conversation that we had, which I still think the plan is valid, and that is to come
26 back to you and -- the reason why it was not included at this time -- we had discussions
27 -- the staff had discussions about this issue, acknowledged that it needed to be dealt
28 with, planned to do a study on it. We did not really have adequate time to scope it out to
29 see what the breadth of the study ought to be. How many staff years or hours should be
30 allocated to it or what consultant dollars should be dedicated to it. So the concept was
31 actually to sort of to flesh that out between now and June and to come back to you with
32 a more specific proposal in June,

33
34 Council President Leventhal,

35 Okay. We're having a Town Hall meeting for clergy on June 29th, which was the earliest
36 time that we could feasibly schedule it, given this exercise that we're now in, and then
37 we take a Memorial Day recess. I would hope in that in sketching out what it is that we
38 would propose to do, that we would incorporate the input of some clergy,

39
40 Faroll Hamer,

41 That would be wise,

42
43 Council President Leventhal,

44 So I don't know that an early June timeframe is going to work for this,



May 8, 2006

1
2 Marlene Michaelson,
3 I believe June 27th is the date that's tentatively scheduled for the semi-annual report,
4 and, Mr. Leventhal, you just said you'd be meeting with clergy June 29th,

5
6 Council President Leventhal,
7 June 29th,

8
9 Marlene Michaelson,
10 So that would imply that the discussion on Work Program would happen first. So
11 perhaps there'll be a way to get input from clergy before the Council actually has its
12 meeting -- that Park and Planning can initiate -- so when they present something to you
13 on June 27th, they've got that feedback and input,

14
15 Council President Leventhal,
16 Okay, give me a contact person that Mr. Knapp and I can work with in Park and
17 Planning who can help us from this point forward,

18
19 Faroll Hamer,
20 For now, it's me. There will be someone else soon, but for today it's me,

21
22 Derick Berlage,
23 What I would suggest is that when we bring you our proposed Work Program as part of
24 the biannual report, we will carve out as an optional item a certain number of work-years
25 to address this question. And the Council will then have to make choices if it wants to
26 fund that, what is it not going to fund? The exact contents of that Work Program for the
27 religious institutions, if the Council endorses it, we probably will not be able to talk about
28 it at the biannual because we need that input from the religious leaders, but we can sort
29 of carve out a work-year, or if it's more than one, whatever number of work-years it is,
30 and then fill in the blanks after. Again, provided the Council, when it sees the full range
31 of options that it has, elects that that's something it wants resources dedicated to. We
32 know it's a high priority for many of you. When we bring this biannual, we're going to do
33 something that frankly hasn't been done in the past and should have been done in the
34 past, which is we're going to be very clear that that it is a zero sum game, and that when
35 we add new tasks to the Park and Planning Work Program, something else is going to
36 have to drop off,

37
38 Council President Leventhal,
39 Let me just..,

40
41 Councilmember Praisner,
42 Or we add people,

43
44 Council President Leventhal,



May 8, 2006

1 Well, wait a minute though. There's a difference between something dropping off
2 altogether and something being done later,

3
4 Derick Berlage,
5 You're absolutely right,

6
7 Council President Leventhal,
8 So I'm not going to advocate anything -- there's nothing on this list that I would say, "Oh,
9 no, we don't need a Kensington University Boulevard Sector Plan," or "I don't think we
10 should do..,"

11
12 Councilmember Silverman,
13 Funny you should mention that. That was actually the one we focused on for discussion
14 in June about..,

15
16 Council President Leventhal,
17 You're thinking maybe you don't need it,

18
19 Councilmember Praisner,
20 Right,

21
22 Council President Leventhal,
23 Well, in any event..,

24
25 Derick Berlage,
26 That will probably be part of the discussion in June about reallocation, in light of the fact
27 that University Boulevard may be completely swallowed up by Centers and Boulevards,
28 leaving the wonderful town of Kensington, but we wouldn't do a master plan just for that
29 little slice,

30
31 Council President Leventhal,
32 We'll continue to talk. I just didn't want the train to leave the station here on the budget,
33 feeling like I had neglected to raise this issue. I would hope that this issue will be
34 included in the Work Plan within the next couple of years,

35
36 Faroll Hamer,
37 Maybe this will help, too. When I was talking to the staff about it, we did come up with a
38 very, very, very preliminary estimate that it would probably be around one to two staff
39 years and somewhere between \$50,000 to a \$100,000 for a consultant. So just to give
40 you a feeling of the range that we think we're in,

41
42 Council President Leventhal,
43 Okay. Thank you. Ms. Praisner,



May 8, 2006

1 Councilmember Praisner,

2 Yes. I wanted to make a couple of comments. I think it's important for the Committee --
3 the Council to know that although the master plans and the chart relate to master plans,
4 there was lots of conversation within the Committee about the need to, I think, rethink
5 the way and the pace of master plans, such that we get ahead of Zoning Text
6 Amendments and other things that may be going on. And there are some places where,
7 with the community and existing staff, we're talking about implementation of existing
8 master plans, which may need some fine-tuning as a result, and other places where
9 we're talking about whole re-examinations of areas in the traditional sense of a master
10 plan in both cases. I think the Committee conversation related to timetable pace and
11 prioritization. To some extent, I think Mr. Leventhal's issues related to religious
12 institutions is one I share, although I haven't been engaged in the conversation, is a
13 function of looking at what the subsets of that are and the extent to which staff may be
14 looking at that issue in the context of other pieces. If you're talking about maximizing
15 presence in older commercial areas, that fits with something else. If you're talking about
16 the impact of regulation on them, it may affect other things. If you're talking about
17 communication and outreach, it affects another area. So I think we are at a point with
18 the Planning Board and staff of, I think, looking at what is being -- what the work looks
19 like, how it is shaped, and how we try and -- I'm trying to find the right word. It's not
20 energized -- it's re-examine, I think, the way I think we do master plans, to both engage
21 the community in an aggressive way, but also to look at whether we can do this in a
22 comprehensive way but also discreet area way, looking at those different pieces. So I
23 think there's going to be a lot of conversation as it relates to these issues in the next
24 year or so. At the same time, we can't let a whole year go by and then decide what we
25 look like in this approach. Otherwise, we're going to have a whole host of Zoning Text
26 Amendments that try to respond to demands and to the fact that our zoning ordinance, if
27 we had ever done the rewrite that we wanted, might be -- might look a little different
28 than it does now and might respond to some of these issues. The reason why I put my
29 light on is I wanted to piggy-back on the comment I think Mr. Silverman was trying to
30 make and just say that I would urge the staff at Park and Planning, who obviously
31 communicated to community members about our discussion about green infrastructure
32 and the questions that the Committee raised, that rather than energize the community, I
33 would urge you to re-examine the documents you've prepared and to format the
34 documents differently for our discussion in June. And that the phone calls I've received,
35 the e-mails I've received, that are way engaged in lobbying to save something that isn't
36 lost at this point would be better spent focusing on how to format the documents,

37
38 Council President Leventhal,
39 Ms. Floreen,

40
41 Councilmember Floreen,

42 Thank you. I think really the point is that the fold-out sheet is a starting point for the
43 June conversation. And I think it's important to understand that we did ask the Planning
44 Board to go back and make some revisions and this is an improved draft, in terms of



May 8, 2006

1 priorities. I think we're pretty unanimous in recommending that there be a new approach
2 to the master plan process that is less time-consuming so we can take up these things
3 as they come along without being locked into a multi-year Master Plan Schedule that
4 makes it impossible for us to respond to new ideas. And so I agree with, I think, with
5 what Ms. Praisner has said. I think we collectively have some considerable concerns
6 about the implementation elements of master plans, and some of those adjustments
7 were made in this work schedule and I'm sure we'll discuss it further. I have a lot of
8 concerns about staff support for the Board of Appeals and zoning -- the hearing
9 examiners because of the delay that that is putting into a decision-making process. And
10 I know that that continues to be worked on. And I think the point is that this is a work in
11 progress. The choice of prioritization of the Planning Board Work Program is up to us,
12 frankly. And I think we need to continue to work with the Planning Board to talk about
13 how we can achieve agreed-upon results. But how those results are reached and the
14 assignment of staff to them all, I think, remains to be -- needs to be -- continue to be on
15 the table. For example, they do have a considerable number of staff assigned to the
16 Corridors and Boulevards effort, and we're not too sure -- at least I'm not too sure still --
17 about the need for that assignment of resources, given some of the other work needs
18 that I think are important to be implemented. And I think that's the kind of conversation
19 that we'll have at the end of June. What is the best way to achieve these results and can
20 we do it more nimbly than we've been able to do in the past? The green infrastructure
21 plan, we really just had more questions about what that entailed and how that fits in with
22 the information we currently have. So again, these are questions that remain on the
23 table, in terms of staffing and priorities and how we get them achieved within a
24 reasonable period of time with reasonable assessment of resources. So the issue really
25 is -- this is kind of the box in which that conversation will occur, in terms of staffing. It will
26 not preclude -- hopefully we'll get ourselves to a place where we will not preclude the
27 addition of new ideas in the course of any one year. And I think we need to remember to
28 cut ourselves some slack in the planning budget, in particular, so that when an
29 important idea such as the religious institution question comes along, we're not in a
30 position of saying, "Well, we'll get to that in three or four years." And so hopefully we'll
31 be able to get into the details of this at the end of next month. Is that right? That's the
32 date for that. Thanks,

33
34 Council President Leventhal,
35 Mr. Knapp,

36
37 Councilmember Knapp,

38 Thank you, Mr. President, and I thank you for your comments as it relates to how we
39 address religious organizations, institutions. As Ms. Praisner indicated, I think that
40 clearly it's something that's going to cut across a lot of places and so it's difficult to say,
41 "Here's where it goes." But the one thing, to your point, Mr. President, is that I would like
42 to make sure by doing this today, we don't somehow get everybody to think that we've
43 locked this in to something. And so that there's some way to put a placeholder out there
44 so we have that conversation. The other thing just to talk about -- and I like this a lot.



May 8, 2006

1 Just a quick question as to how -- and we'll talk about this more, I guess, in June, but
2 how was this formulated? The question I have is did you put all this together and then
3 kind of go back historically and look at the number of work-years that were required to
4 get to this so this is based on kind of historical precedent? Or is this based on kind of
5 just current staffing and what we hope it's going to take us to get there? What's the
6 context?

7
8 Derick Berlage,

9 Well, I'll let Faroll chime in when she -- as she wishes, but we basically began with our
10 existing Work Program, did an analysis of the work-years that were being dedicated to
11 that, added into the mix at the staff level -- staff added into the mix what they believed
12 the Board's and the Council's current priorities and emphases might be to sort of have it
13 be not be retrospective, but a little bit prospective. They then brought it to the Planning
14 Board. The Planning Board had a work session on the chart that you see in front of you
15 and made some changes and then we've brought it to the PHED Committee. So that
16 basically was the process. Am I leaving anything out?

17
18 Faroll Hamer,

19 Just that it was an estimate. It was not based on the past. What's happened is
20 historically, we have time codes and we code all our time to those time codes and they
21 are actually supposed to correlate to the Work Program items. We haven't updated
22 them in a long time and as a result, they're not very accurate. The next step after this is
23 to go back and revise the time codes so that they really clearly reflect these items. And
24 so when we come to you next year, we will have actuals, and then we can do a better
25 job of predicting how much time we're going to need for various master plans next year,

26
27 Councilmember Knapp,

28 Yes, no, the reason I was asking is if you look at, kind of, the next up master plans,
29 you've got Twinbrook, White Flint and Gaithersburg. They're all roughly the same
30 amount of work-years for this next year. And so the obvious question is you would think
31 that you would put more work-years towards those that are coming kind of to fruition to
32 the Council just because of the amount of interaction. And I don't know that, but just -- I
33 don't know. I was struck by every one -- they're all between like 5.2 and 5.6. I guess the
34 highest is 6.2. They're all roughly the same amount of work years. And I don't know how
35 that cycles goes, it just strikes me as odd that they would all be roughly the same
36 amount of work. I don't know, but that's just something we should talk about further. The
37 other question I had was, as it relates to the 5% time allocated for continuous
38 improvement -- which again, I think it's a really good thing -- how do you track that? How
39 do you implement that? Is that -- did you just basically take average number of work-
40 years and say, "We're going to put 5% aside?" Or is that something that you actually
41 work back into every individual's timesheet so that at the end of the year they're --
42 roughly 5% of their time's going to be spent on that?

43
44 Faroll Hamer,



May 8, 2006

1 Well, there'll be a time code for it so we'll know how much time we spent by the end of
2 the year, but right now, what you'll see is that all the Work Program -- for example, in
3 Research and Technology, it's sort of spread out. The Continuous Improvement is not
4 spread out. It's a lump sum because we just don't know which staff and which divisions
5 are going to be spending -- there'll be one or two people maybe who spend almost full-
6 time on it, and then a whole series of other people who spend a few hours here and a
7 few hours there. So we thought it would just be too inaccurate to actually show what the
8 distribution is, so we're not showing the distribution of that,

9
10 Councilmember Knapp,

11 Actually, I think that's a good first step. I look forward to kind of seeing how this fits. And
12 I think you're right. It's not necessarily a zero-sum game, but it says, "Here are the
13 parameters within the box." And you can move the different variables around, but
14 there's only this much time. And you can drag them out a little bit more so you can put
15 something else in, but it gives us the ability to see the impact of those policy decisions
16 we're providing you. And so I think this is a good starting point for that next discussion.
17 Just make sure we've got that reservation for the religious discussion and I think that
18 we're going in the right direction,

19
20 Council President Leventhal,

21 Very good. Okay, Mr. Chairman. What's next?

22
23 Councilmember Silverman,

24 Thank you. Okay, we're done the Work Program, now we're into Page 12, FY '06
25 Expenditure Issues of the Planning Department. Series of changes in FY '07. Obviously
26 there's increased utility costs, a 37% increase. Development Review staffing. We are
27 supporting full funding for Development Review staffing, consistent with the Council
28 action that we took in the spring, in terms of the supplemental appropriation. We'll talk
29 later on about funding mechanisms for that through higher Development Review fees.
30 Under Research and Technology staffing, the budget had recommended a new career
31 and two temporary positions for Research and Technology. First was a
32 telecommunications position of \$62,000, which the Committee did not support, believing
33 that there needed to be a continued use of contractual services until there is a clear
34 determination made that in-house personnel is less expensive and provides greater
35 benefits than contractors. The Committee supported -- this is the top of page 14 --
36 supported temporary staff to research TDRs. We know we need to get more detailed
37 information, so this is a temporary staff position, \$35,000. And then there is a temporary
38 GIS staff for Impervious Surface Mapping of \$35,000. The Committee thinks that this is
39 a higher priority than the Equestrian -- Equestrian -- this says "equestrian layer,"

40
41 Marlene Michaelson,

42 Yes, they are both GIS layers,

43
44 Councilmember Silverman,



May 8, 2006

1 Okay,

2
3 Multiple Speakers,
4 [INAUDIBLE]

5
6 [LAUGHTER]

7
8 Councilmember Silverman,
9 Anyway, so we put that on the list, as we did the temporary GIS staff for Equestrian
10 Mapping, both of them will end up on the Reconciliation List,

11
12 Marlene Michaelson,
13 No. You flipped them, because the Equestrian Mapping was in the budget,

14
15 Councilmember Silverman,
16 Right,

17
18 Marlene Michaelson,
19 And Councilmember Praisner recommended the Committee supported adding
20 Impervious Surface, but since the Committee agreed that the Impervious Surface was a
21 higher priority, you put that one into the budget and the Equestrian Mapping on the
22 Reconciliation,

23
24 Councilmember Silverman,
25 Yes, of course. That's right,

26
27 Councilmember Praisner,
28 Since it cost more,

29
30 Marlene Michaelson,
31 But since it cost more, it is partially...

32
33 Councilmember Silverman,
34 It costs \$8,000 more,

35
36 Marlene Michaelson,
37 Exactly,

38
39 Councilmember Silverman,
40 Okay, that would probably require a Presidential fiat to include that in the budget, Mr.
41 Leventhal. It's an \$8,000 item,

42
43 Council President Leventhal,
44 \$8,000. Golly. Well, we just approved a \$100 item not long ago. That was really good,



May 8, 2006

1
2 Councilmember Perez,
3 That was the signage for the Bethesda Library. We just had \$800,

4
5 Council President Leventhal,
6 Mr. Knapp's been waiting with a question,

7
8 Councilmember Knapp,
9 No, I just wanted to get a little better understanding of what the Equestrian Layer will
10 provide and what the Impervious Surface Mapping provides. Just a little more detail,

11
12 Karl Moritz,
13 Sure. The Equestrian Mapping Process is to -- we have a lot of equestrian easements
14 on private property throughout the County. And together, sometimes they create a
15 network of equestrian trails and sometimes they don't. And where there's a gap, we'd
16 like to try to get an easement when properties go through the development approval
17 process. Researching where those gaps are is time consuming and we decided -- we
18 did a pilot project. We found out how to do it. We can dedicate -- get a student in for a
19 year and get them to complete that research so that when a development project comes
20 in, the Planning Board will know if there's gaps in the equestrian trail system on that
21 property. That's what that one is,

22
23 Councilmember Knapp,
24 Okay, and the Impervious Surface Map gets us roughly the same thing, just Impervious
25 Surfaces?

26
27 Karl Moritz,
28 That's correct,

29
30 Councilmember Knapp,
31 Okay,

32
33 Council President Leventhal,
34 What -- I get this question all the time from constituents -- what would it take to compile
35 a single reference map of all hiker/biker trails, combining park and transportation and
36 any other trails?

37
38 Karl Moritz,
39 I can't give you an estimate because I haven't researched how disparate the data
40 sources are, but I'd be happy to. Sure. Okay,

41
42 Councilmember Silverman,
43 Okay,



May 8, 2006

1 Council President Leventhal,
2 Chairman Silverman?

3
4 Councilmember Silverman,
5 All right, now we're into the Commissioner's Office. We continue to support funding, but
6 want an assessment of the Department's use of staffing for Public Outreach purposes
7 and we will continue to do that through oversight in the PHED Committee. Central
8 Administrative Services: Committee recommends supporting funding requests for CAS
9 as submitted. The only significant changes are proposals to add positions in Finance
10 and Human Resources. That includes an Auditor in the Finance Department to lead an
11 agency-wide -- am I reading this right? To lead an agency-wide risk assessment to
12 respond to Work Program demands of new facilities and implementations of the
13 Commission's Fraud, Waste, and Abuse Policy, and a Programmer Analyst in the
14 Finance Department to support software upgrades, et cetera, et cetera. Changes in
15 Human Resources and Management are on the top of page 16, which are self-
16 explanatory. Legal Department added one position funded in FY '06 to work on
17 Development Review issues. Okay, we'll go to Administration Funding,

18
19 Council President Leventhal,
20 Wait. Ms. Floreen had a question,

21
22 Councilmember Floreen,
23 Yes, I have a question about the Central Administrative Fund that both Councils have to
24 approve. Were there any -- what we have in front of us is the budget that is
25 recommended by the full Commission, right? We didn't make any changes, they didn't
26 make any changes. And I gather Prince George's did not take a position on this,

27
28 Marlene Michaelson,
29 The full Council has not yet met; I believe they're meeting May 9th,

30
31 Councilmember Silverman,
32 They're meeting tomorrow at 3:00,

33
34 Councilmember Floreen,
35 We are collectively meeting on Thursday. They'll take it up tomorrow. But what's before
36 us is the Commission budget with no adjustments,

37
38 Marlene Michaelson,
39 Correct,

40
41 Councilmember Floreen,
42 Okay. Thanks. That's all I wanted to verify,

43
44 Councilmember Silverman,



May 8, 2006

1 Okay. Administration Fund FY '06 revenue issues. Committee recommends supporting
2 increased fees for Development Review Services, which allows shifting of \$700,000 in
3 expenditures from the Administration Fund to the Special Revenue Fund to reflect the
4 increase and to set the Special Revenue Fund expenditures 20% less than the
5 projected fees in case projections are not realized. This will -- this is where we get
6 \$700,000 on the Reconciliation List as a cut because it's basically -- no?

7
8 Marlene Michaelson,
9 It is a reduction. My understanding is reductions don't go on the Reconciliation List,

10
11 Councilmember Silverman,
12 Well, okay. It's additional resources available. That's what I meant. Just like the
13 reserves. We also had a pretty extensive discussion about the fee structure and my
14 recollection is that they could have taken literally what we asked them or suggested that
15 they do during the discussion about the supplemental monies in the spring. If they had
16 done 100% cost recovery of Development Review -- I think the numbers were \$5 million
17 -- they would have gone from 2.5 to five. Is that right, Bill? Give or take. In terms of fees,
18 they would have essentially doubled the amount of money. They ended up going to 3.7
19 and so we're going to sort of see how this works out. They have a revised fee schedule
20 which came out effective when?

21
22 Marlene Michaelson,
23 May 1st,

24
25 Councilmember Silverman,
26 May 1st and so far we're eight days into the fee schedule and we haven't heard any
27 screaming, which must mean that they made some significant revisions to
28 accommodate some of the concerns that people had about significant jump-ups in
29 different categories. So the Committee felt comfortable that this was a good first start in
30 getting recovery, recognizing that Development Review has broader benefits than just
31 for the users of Development Review, and so there was not a sense that we needed to
32 have 100% recovery,

33
34 Council President Leventhal,
35 Mr. Knapp,

36
37 Councilmember Knapp,
38 Not on this. Once we get done with that item,

39
40 Council President Leventhal,
41 Okay,

42
43 Councilmember Silverman,
44 We're done with that item,



May 8, 2006

Councilmember Knapp,

Okay. This is somewhat of an aside, but I know the MFP Committee, we talked about this earlier this morning, is looking at the Gain Sharing initiatives. And one of the things that -- we've had this discussion on public safety, too -- that once you actually start to put your program down in workyears and things like this, you kind of open yourself up to a level of scrutiny that other departments and agencies don't necessarily submit themselves to. And so you run the risk of really kind of getting raked the over the coals. We saw this with the Department of Corrections. And so one of the things I would ask MFP, as they look at this in the coming year, is to begin to see if there is a way for us to explore incentives for even the departments or agencies that take this kind of an approach and can successfully implement it. Because lots of departments are going to come before us in the next week and a half who have little if no clue as to kind of where all their bodies are going and how all those programs are being implemented. And so those that do, I think, should be rewarded at the end of the day. And so I don't know how you'd do that necessarily, but it'd be part of the broader discussion,

Councilmember Silverman,
Be rewarded?

Councilmember Praisner,
Should not be penalized, I think, is what you're trying to say,

Councilmember Knapp,

Well, I guess the idea is, to the extent that we can provide incentives to those departments that are doing it and doing it well, I would just as soon do that, as opposed to basically having them be overly scrutinized and those departments that really don't know where their bodies are being allocated, basically have them be able to skate through because they just don't know the answer to the question,

Councilmember Praisner,

Well, but the ultimate action is actually ours to take budget action that would reinforce the behavior that we expect or to require it when we do our budget resolution and the individual items of requirements that we set for subsequent years. To some extent, budget got -- the budget systems that we have do not allow us the capacity to do a lot more than that, but as our analysts can tell us, they get additional information when they look at personnel. We don't traditionally spend as much time with the personnel complement in County government as we do with the budget book. And I think the more we look at the personnel complement, the more we tie the outcome measures and the more we incentivize by encouraging gainsharing or outcome measures that are then tied to budget decisions, the more we'll get at what you want, I think. But when Gene Lynch was CAL, Mr. Bloch will remember, there was some conversation about incentives for -- and gainsharing itself has within it incentives for employee teams that



May 8, 2006

1 find more efficient ways of operating. Mr. Lynch had some ideas, but unfortunately the
2 fiscal situation didn't allow us to implement them and then they dropped,

3
4 Council President Leventhal,
5 Okay, Mr. Silverman,

6
7 Councilmember Silverman,

8 All right, we're into the Park Fund. The box on 18 -- chart on 18 shows the Park Fund
9 budget in terms of what was approved, what was requested, what the changes are. It's
10 a 7% overall change. The Committee recommended for FY '08 that the Department
11 improve the measures related to athletic field renovation and maintenance, to include
12 amount of time needed and resources to provide the services and quality of the fields.
13 We expect that's an area we would focus in on. In terms of the Park Fund FY '07
14 expenditure issues, first ones on page 19, increase wages for seasonal workers. That's
15 \$50,000, right? Not \$500? Right. Oh, we saved \$450,000. How do we do it? Okay, it's
16 only \$50,000. We did want discussion to occur and a plan to look at the living wage
17 issue, but that is tied into what happens across the County line, as well. And so there
18 would have to be an extensive discussion, and we hope that'll take place over the
19 course of the next several months or so. Page 20, additional position for athletic field
20 development renovation and maintenance, a half a workyear. This is for an
21 Administrative Specialist to allow greater oversight of the contractors and better
22 coordination with staff agencies. Project Manager in Park Development, one workyear.
23 This will be funded by the CIP and we will have discussions post-budget about
24 public/private partnerships and improved reporting on those projects. The Committee
25 did not support funding for a marketing position and wants Park and Planning to go
26 back and take a look at staff assignments for possible utilization by folks in the
27 Community Outreach and Media Relations unit in the Commissioner's office. Committee
28 did support a Volunteer Coordinator relating to Nonnative Invasive Plants. That's a
29 \$60,000 item to expand the Forest Preservation Habitat Restoration Program. And
30 finally, additional staff for new parks, we support the new staffing necessary, of course,
31 to cover costs associated with the operating budget impact of new parks. Productivity
32 Initiatives, we figured we'd let Mary have a few months in the saddle so that she could
33 evaluate what she needs to evaluate and come back in the fall to talk about productivity
34 improvements of park function. Okay, the Enterprise Fund, the long -- Oh, there he is,

35
36 Councilmember Knapp,
37 Sorry,

38
39 Councilmember Silverman,
40 Hey, that's why we're here,

41
42 Councilmember Knapp,
43 When it comes to Volunteer Coordination, we had testimony from one of the volunteers
44 at Black Hill Regional Park that for an additional half a workyear, they felt they could



May 8, 2006

1 double the number of volunteers they had in that park. I just wanted to get some
2 reaction if we actually think that's true,

3
4 Mary Bradford,
5 Mary Bradford, for the record. The amount of leverage we get out of having Volunteer
6 Coordinators and increased numbers of volunteers is just huge in the budget cycle. I
7 can check into the Black Hill Regional Park issue specifically and get some information
8 to you on that,

9
10 Councilmember Knapp,
11 If you could, that would be great because the number, I think, if we were to put a half a
12 workyear, it's like \$17,000 or \$15,000, and if we get twice as many volunteers for
13 \$15,000 or \$17,000, that's probably not a bad investment. But if you could do that. And I
14 don't know -- I'd like to at least put that on the Reconciliation List, if at all possible, but
15 I'd rather do it with some more information,

16
17 Councilmember Silverman,
18 I'm sorry,

19
20 Derick Berlage,
21 Now or never,

22
23 Councilmember Silverman,
24 I'm sorry, Mike,

25
26 Councilmember Knapp,
27 No -- well, all right,

28
29 Mary Bradford,
30 Sure, we would always welcome extra man-years to help us with our volunteer program,

31
32 Councilmember Knapp,
33 All right, I'm willing to move 17,000 on the Reconciliation for half a workyear for the
34 Black Hill Regional Park Volunteer Coordinator position so we can increase that, but I'd
35 like to see some information, if we could, associated with it,

36
37 Marlene Michaelson,
38 And I would just note that there is a general office of Volunteer Coordinator. It doesn't
39 deal with specific parks. This is the first time there's been a Volunteer Coordinator for a
40 specific program, but it's one program that does use a lot of volunteers specifically, but
41 beyond that there is a volunteer office. So I don't know what the recommendation is to
42 add to that office, just to increase the pool of volunteers or whether you're contemplating
43 a specific.,
44



May 8, 2006

1 Mary Bradford,
2 We'd like to keep our volunteer coordination in one central office and scatter it around
3 and use those where necessary. But we could certainly...

4
5 Councilmember Knapp,
6 Do you have a -- is there a specific funded Volunteer Coordinator position at Black
7 Hills?

8
9 Mary Bradford,
10 Not at Black Hill. There isn't at any park. It's handled out of a central office,

11
12 Councilmember Knapp,
13 All right, then let's put it in the central office then. The way the sound of the testimony
14 was presented, it's not as though there was a specific position at Black Hill,

15
16 Mary Bradford,
17 But you could certainly get language in there on how you intend that position to be
18 used. We're doing also Volunteer Coordinator with the Invasive Species, as well, and so
19 we can manage that language,

20
21 Unidentified Speaker,
22 Do you want language or do you want money?

23
24 Mary Bradford,
25 Money,

26
27 [LAUGHING]

28
29 Councilmember Knapp,
30 I was moving -- 17, I think gets another half a workyear, is what I heard. \$17,000,

31
32 Marlene Michaelson,
33 Well, but they don't know yet,

34
35 Mary Bradford,
36 We don't know yet,

37
38 Councilmember Knapp,
39 Well, if I've got a chance to come back, I'm happy to do that. I just don't want to miss my
40 window,

41
42 Marlene Michaelson,
43 If the Council agrees, we can add a half a workyear for a volunteer position, and I can
44 just get the specific number from...



May 8, 2006

1
2 Council President Leventhal,
3 Is there objection to adding \$17,000 for half a workyear?
4

5 Councilmember Silverman,
6 It may not be 17...
7

8 Derick Berlage,
9 It sounds a bit low,
10

11 Councilmember Praisner,
12 I think it may be low. My concern is I don't want to start a precedent of having a
13 Coordinator assigned to a specific park,
14

15 Councilmember Knapp,
16 No, I'm not saying...
17

18 Councilmember Praisner,
19 And -- well, it was not -- you sounded like you were talking about a regional -- a
20 centralized position. Mary made the comment about assigning the work, and I think the
21 judgment about how that Coordinator is used should be made by you all, not by us, by
22 identifying specific parks. I think that's a bad precedent,
23

24 Marlene Michaelson,
25 And I do know that the Volunteer Coordinator for the Nonnative Invasive Plants is a
26 \$60,000 cost. I assume that it would be a person with similar capabilities, so if you
27 wanted a half a workyear, I'm guessing, unless there's something unique about what
28 you're suggesting here, that \$30,000 would be closer to a half a workyear than 17,
29

30 Karl Moritz,
31 Technically at \$60,000, it's three-quarters of a workyear, so it's really \$80,000.
32 Somewhere in the \$35,000 range would probably work,
33

34 Councilmember Knapp,
35 Let's get the information, rather than -- and see what it is. Half a workyear, if we could,
36 and see what the number actually is. Okay. Thank you,
37

38 Council President Leventhal,
39 I believe Ms. Praisner has a comment,
40

41 Councilmember Praisner,
42 I wanted to comment on the Enterprise Fund language because I don't think that's
43 accurate...
44



May 8, 2006

1 Councilmember Silverman,
2 We haven't even gotten to it,

3
4 Councilmember Praisner,
5 Oh, okay. I thought we were moving to the Enterprise Fund,

6
7 Councilmember Silverman,
8 We were moving to it,

9
10 Councilmember Praisner,
11 Okay, and my light is on when you're done,

12
13 Councilmember Silverman,
14 If there is -- here's sort of -- we'll get to the language in a minute. Here's sort of the
15 bottom line. Enterprise Fund is losing its shirt. We've managed, thanks to a very
16 creative effort and hard work, to spin off the major loser as part of the Enterprise Fund,
17 which is the golf course -- golf courses -- although we will consider the details of it when
18 we get the lease presented to us. That leaves us with still some losses, even in the golf
19 course arena, so to speak, on the box on page 23. And the bottom line is that even
20 without golf, we're still going to lose money and then you got that ice rink problem. So
21 the suggestion was that we would, in the budget -- was that we transfer for FY '07
22 \$655,000 from the Park Fund to the Enterprise Fund, which is a fancy way of saying
23 General Fund tax dollars. And we were not enthusiastic about that. So what we did was
24 we reduced the subsidy by \$250,000 and asked them to go back, re-evaluate their costs
25 and fees and expenditures to figure out how they can accommodate that and to submit
26 a plan as to how, over the next "X" period of time, they would phase out the subsidy
27 altogether. The Committee still is supporting the belief that it is possible to walk and
28 chew gum at the same time, or I would say -- or you would say -- provide great
29 affordable active recreation for everyone while not ending up having subsidies of
30 hundreds of thousands of dollars. So we'll see how that plays out. Ms. Praisner,

31
32 Councilmember Praisner,
33 Yeah, I don't believe that was a unanimous Committee discussion. I thought I was at a
34 higher dollar amount for the contribution from the General Fund. And I made two
35 comments. One, I think -- this is a function of making decisions to add facilities and then
36 not doing long-range projection about what the fiscal implications are, whether it's a golf
37 course or an ice rink or anything else. And it is something that I think we need to
38 comprehensively look at, but in the interim, we started this process before and I think
39 we need to continue that level of support at this point and have that comprehensive
40 discussion, especially after we have this transition process with the golf courses, but it's
41 not exclusively the golf courses. And then the question becomes for these facilities,
42 what is the public value versus user value and how much is fee-driven and how much is
43 public contribution? There have been public contributions to the Enterprise Fund for the
44 conference centers and other incidental programs all along, as well as some significant



May 8, 2006

1 funding recently. And I guess my last point is we had an earlier conversation about what
2 should be the level of reserve and said that we felt comfortable with a 3% level of
3 reserve in the General Park elements, because -- or just Park and Planning
4 Commission elements -- because of the fact that they could come back to us, whereas
5 in this situation, they are coming to us and we're saying no. And my concern -- or we're
6 saying not as much, which is basically a no, because we're sending directions to make it
7 whole without a public contribution. Something like this action, I think, would lead the
8 bond rating agencies to say, "You need 4%." You might even need more than 4% if you
9 can't go to the County for that kind of Enterprise Fund support. Which means that in the
10 work plan for this coming year, if not a work plan like our Master Plan work plan, it is
11 something that I think we need to talk about comprehensively before we get in the
12 budget situation next year. What is the overall policy? What is the perspective as far as
13 a public contribution or expectation? And what do we do when self-sufficiency is not
14 achieved? Those questions need to be discussed outside the budget, in my view, so
15 that we don't get in this situation at this point,

16
17 Council President Leventhal,
18 Okay. Mr. Chairman,

19
20 Councilmember Silverman,

21 Thank you. Yes, your points are well taken, Ms. Praisner. You're right. We were not --
22 actually, I wanted a higher number of a reduction and so we, sort of the majority of the
23 Committee, ended settling on this, but the bottom line is we want to try to move in a
24 direction that will end up -- where we'll end up having a more extensive discussion
25 about what's doable in comparisons with other competitors for some of these facilities.
26 But this is not to suggest in any way, shape, or form that Park and Planning has not
27 been doing a good job in focusing on the Enterprise Fund. There have been
28 extraordinary challenges in the golf course arena, particularly the White Oak Golf
29 Course, which I think you made the right decision on to close, hopefully only
30 temporarily,

31
32 Councilmember Praisner,
33 Separate from their involvement. I don't know that they made a decision to close,

34
35 Councilmember Silverman,

36 Right, that we're not hemorrhaging cash in that regard. And the decision -- and what's
37 clear about the ice rinks is that the decisions that were made, you know, to build them in
38 the past and to incur the significant debt service is what accounts for the loss situation
39 that we have, but look forward to further discussions about that. All right, we're on the
40 home stretch. ALARF, page 24, supporting as proposed by Park and Planning. Nothing
41 really controversial there. Property Management Fund. Again, this is the managing of
42 leased facilities located on park land, which the Committee supported approval of the
43 Property Management Fund. And we discussed what's called the Special Revenue



May 8, 2006

1 Funds, which is this -- which are a whole host of funds, which we don't need to discuss
2 at this point,

3
4 Council President Leventhal,
5 Ms. Praisner appears to want to,

6
7 Councilmember Praisner,
8 No. Not on that issue,

9
10 Councilmember Silverman,
11 No? Okay, I have a couple of other things I just want to mention in passing. Number
12 one, I would like to get an update -- I mean, the Committee, Council, or whatever would
13 like to get an update on where you guys are, if anywhere, on properties that you had
14 identified in the past as potentially usable for housing purposes. These were non-park
15 land, although owned by Park and Planning. If somebody could get us some information
16 on that, Mr. Chairman. Apart from Silver Place, which I know is going through its own
17 iteration,

18
19 Derick Berlage,
20 Yep, we can get you a status report,

21
22 Councilmember Silverman,
23 Okay, the second thing is, Marlene, I want to take a look at some language. I don't want
24 to discuss it here, but Mary and I have chatted about this. I'd like to take a look at some
25 language in connection with the synthetic turf fields. I don't know about you, but we've
26 had a few comments across the transom from some of the booster clubs in connection
27 with the school fields, and it's my understanding that in the review of the potential siting
28 of the -- I think it's three fields that are allocated in the CIP -- that with the exception of
29 Blair and Blake, which are adjacent to schools, but permitted and owned by you all, that
30 the other high school sites were not looked at. And so what I was going to suggest was
31 that we have some language tied into the CIP about a review of that occurring prior to
32 final decisions. We wanted to come up with some language, if we could. Mary, do you
33 want to comment on this? This will result -- I'll just say -- this will result in something of a
34 slowing down of the decision-making process, but we've got a lot of folks out there in
35 areas of the County that believe that this would be a good use for them, particularly in
36 areas where there are field shortages. And to the extent that it -- and I know there is a
37 whole list of criteria -- we wanted to at least make sure that those high school sites were
38 taken a look at, understanding that you might have the perfect site in Poolesville, but if
39 that isn't where the field shortages are, then it may not make any sense to go up there.
40 But this really needs to be looked at in the context, I think, of this -- of the -- whatever it
41 is. The [LIPRO] -- the thing that was the PROS Plan,

42
43 Derick Berlage,



May 8, 2006

1 Right. Well, the suggestion that we take a broader look is not something the Board has
2 had an opportunity to consider yet. I do think I can predict that the Board will not be
3 enthusiastic about slowing the process down. We probably should have started doing
4 artificial turf many years ago. We first came to you with money in our Operating Budget,
5 and that was turned down on the grounds that it ought to be in the Capital Budget.
6 We're back this year with the money in the Capital Budget. We did do a comprehensive
7 search. We looked at all of the fields that we, Park and Planning, maintain, operate, and
8 permit. And some of those are high school sites, many of them are not. The booster
9 clubs or PTAs, I'm not sure which, the high school constituencies that are now asking
10 that they, too, be considered for artificial turf are not high school sites that we permit for
11 the community. So if artificial turf were put there, it would be for the benefit of the high
12 school. Certainly that's a benefit, but that might be something that properly belongs in
13 the School System budget. We do feel that we did a comprehensive search of all the
14 fields that we permit for the broader community and we prefer to keep going,

15
16 Councilmember Silverman,

17 Well, I guess what I would say is this. The issue of accessibility to these fields is
18 absolutely a critical component and should be a component of any decision-making
19 process. But the mere fact that something happens to be at a high school and you all
20 don't permit it doesn't mean -- I mean, here's sort of the simple way of looking at it, I
21 think, is okay, if it's at a high school field, the high school is going to have a certain
22 amount of utilization of it. The question is, in the grand scheme of utilization and that,
23 what I'll call service area, can you accommodate high school usage as well as park -- as
24 well as other utilization? My understanding is, and correct me if I'm wrong, is that you all
25 did not look at the 25 high school sites -- however many high schools we have --
26 countywide to at least determine whether they meet what I would call the first criteria,
27 which is is it in an area where there is a field deficiency? Because the only reason -- at
28 least again, I'm speaking for myself here -- the only reason I would support three-
29 quarters of a million dollars per field is if it's going in an area where there is a field
30 deficiency. I mean, as a first cut. It does not, to me, make any sense to put it in an area
31 of the County where there is not a field deficiency unless the intent is that you're
32 somehow going to start shipping people cross-county to have them utilize these fields,
33 which are now more available than they were before. That would make little sense to
34 me, considering there are certain areas in the County that we know have field
35 deficiencies,

36
37 Marlene Michaelson,

38 And where the high school would be willing to allow additional use,

39
40 Councilmember Silverman,

41 Right,

42
43 Marlene Michaelson,



May 8, 2006

1 Because most high schools have made a determination that they want only their
2 students to use the field, which is, I believe, why they didn't look at it,

3
4 Councilmember Silverman,

5 Right, which I think is part of a negotiating process, where if the high school, you know,
6 wants to get the field, it has to understand that they're not going to be able to use it 95%
7 of the time unless there is, a switching off -- unless, for example, that high school field is
8 being utilized by other folks for other things now. I mean, all that can be somewhere
9 evaluated in the criteria, but the first question that I would have when I would take a look
10 at your ultimate list is tell me whether or not there are field deficiencies. Because if there
11 aren't, it's going to be very hard for us to explain why we invested those kind of dollars
12 when we actually could have put it in, you know, the school system's budget for fields if
13 we wanted to. And yes, I recognize the fact that it's going to slow -- you know, slow
14 some things down by a little bit. That's our -- you know, we'll take the hit for that,

15
16 Derick Berlage,

17 Understood. I mean, our preference would be there will be a second wave. I mean, we
18 don't anticipate building a couple of artificial turf fields and then never building any
19 again. We think this is the wave of the future. It would make more sense to us if there
20 are other communities that want fields, that that be part of the second phase,

21
22 Councilmember Silverman,

23 Well, the thing is this, though, Derick. We've allocated money for three fields over the
24 next six years. So when we talk about another round, I mean, the challenge there is the
25 next round is years into the future. And I think -- again, on the one hand, we always say
26 we don't want to micromanage. On the other hand, we do when we want to, but the fact
27 of the matter is this is a...

28
29 Derick Berlage,

30 This might get these fields going,

31
32 Councilmember Silverman,

33 No, it is a significant amount of money per field and we're supportive of it. The question
34 really is what's the criteria? And my understanding is that of the 11 separate criteria that
35 were used -- Criteria? Criterium? Whatever. Of the 11 criteria that were used, one of the
36 11 is the issue of field shortages and it is ranked evenly. It gets the same points as
37 everything else in the mix. And to me, that just really doesn't make a lot of sense as a
38 first cut. You could have a fabulous field that is located in a place which according to
39 your plan, has no real deficiencies, and then we're kind of left with okay, what do we
40 do? We tell everybody who's over here they've got to travel over here because that's
41 where the good field is that's going to be used more?

42
43 Mary Bradford,



May 8, 2006

1 The fields -- using those criteria, however, that ranked highest were all in the eastern
2 part of the County that had the field shortage,

3
4 Councilmember Silverman,

5 Well, as I said, I'm really not interested in getting into, you know, which fields on the five
6 you all have looked at. I guess what I'm saying is we've got a bunch of communities out
7 there -- communities of interest have a threshold question, which is, "So did anybody
8 ever look at us?" And the answer that I have for them right now is, "Well, you're a high
9 school and so therefore you really weren't looked at because we don't permit you." And
10 that I don't find to be an acceptable answer to them. It may turn out that you don't get
11 the field, as opposed to some other place, because of the following six other reasons,
12 but the fact that they haven't been looked at at all raises the question. So I'd like to at
13 least see some language, Marlene, that has to do with this being evaluated and then we
14 can see when you run it by them. Duly noted, Mr. Chairman, and...

15
16 Council President Leventhal,

17 Okay, there is two more lights. Ms. Praisner and Mr. Andrews,

18
19 Councilmember Praisner,

20 Yeah, just a comment on the turf issues, related to the synthetic whatever you want to
21 call it. I'd like some materials -- I don't think I've seen them -- on your analysis or what
22 research has been done on accidents and prevention, et cetera. Especially when you
23 talk about high school fields, et cetera. I had a comment on an item that's not on the
24 agenda that relates to the CIP, but since I have to leave in 20 minutes, and I'm going to
25 ask Mr. Andrews to pick up the MFP pieces if we don't finish, I wonder if I could just
26 raise these, as they relate to tomorrow's T&E Committee discussion. Since the Matthew
27 Henson Trail, although a park trail, is the remnants from the Go Montgomery! initiative,
28 appears in DPWT, I had a couple of questions that I don't want to take the time for
29 today, but I would like staff to respond to tomorrow. And I ask these questions not --
30 because I've been asked again, is this an attempt to stop this project? I can count votes.
31 I know where the Councilmembers are on this issue, but we have a number of
32 questions about dollars in the Capital Budget and we accelerated the project back to its
33 original schedule in order -- that the County Executive postponed because of his fiscal
34 challenge of putting money into different fiscal years since it sits in the DPWT budget.
35 My questions relate to the language in the PDF and the information which the Council
36 was told, the Committee was told, and appears in the packet from Mr. Orlin, that I am
37 not sure is accurate. And therefore, it relates to the timing and the dollar amounts, not to
38 a removal of the project. Number one, the packet says that the permits have all been
39 granted, but as I read Mr. Reilly's packet to us, it says that they are in the process of
40 being received. So I'd like a list of the permits and the status of all of them, if I could.
41 Secondly, our PDF very clearly states that the Planning Board required signalization at
42 Turkey Branch and Viers Mill. It's my understanding that that State Highway has said no
43 to signalization and there were conversations about whether the route needed to be
44 changed or what was going to happen as far as State Highway, and none of that has



May 8, 2006

1 been resolved as yet. I don't know the extent to which the resolution fits the PDF
2 language and how it affects the dollar amounts of the project. Thirdly, it's come to my
3 understanding that in getting some permits, some of the state departments have made
4 modifications to the route, as well. And community members tell me that there had been
5 different markings from what they were originally told would be the route within the
6 internal sections of the trail. I'm not going over the hard natural surface issues. I'm not
7 going through any of those comments. I'm asking about the dollar amounts, the month --
8 excuse me, the fiscal year in which they would be spent, and whether everything is as
9 final as the T&E Committee and the Council was led to believe by virtue of the language
10 as we discussed it. So when we get to DPWT tomorrow I'd like, Mike, that information, if
11 possible, in front of the Council so that we can better understand. As Mr. Orlin has
12 informed us, this is not an issue of just fine-tuning the Capital Budget. We have major
13 challenges that are going to affect projects, and whenever there are questions, I think
14 the dollar amounts, if they're different from what we thought, et cetera, are going to
15 make things even more complicated. So I would appreciate that information for
16 tomorrow's T&E presentation of the Department of Public Works and Transportation
17 budget. And the other comment I would make is that the Department of Public Works
18 and Transportation has an excellent way of keeping community involved by giving them
19 status report newsletters on capital projects. I had sent, I think, Mary, you a memo. I
20 would urge, on this type of project that goes through multiple neighborhoods, that you
21 look at -- and again, I don't know which department to tell since it really is a Park and
22 Planning Commission trail that Go Montgomery! adopted -- that there be a mailing list
23 and frequent meetings and distribution of a status report document for all those who are
24 interested, not just the bike advocates,

25
26 Mary Bradford,
27 We agree and we think that's an excellent idea,

28
29 Council President Leventhal,
30 Ms. Floreen,

31
32 Councilmember Floreen,
33 I just wanted to say that I fully anticipate we'll have that conversation tomorrow. And I
34 just wanted to note that we did have Mr. Reilly's memo in the packet before the
35 Committee, but we can go over all of that, and that would be fine tomorrow,

36
37 Council President Leventhal,
38 Chairman Silverman,

39
40 Councilmember Silverman,
41 That's it,

42
43 Council President Leventhal,
44 That's it for Park and Planning's budget. Thank you very much,



May 8, 2006

1
2 Marlene Michaelson,
3 I'm sorry, you do need to do Park Police. Park Police and then the CIP, yeah,
4
5 Council President Leventhal,
6 I understand. Is Chairman Berlage going to stay here while the Park Police present?

7
8 Derick Berlage,
9 I think I will,

10
11 Council President Leventhal,
12 Go ahead. Park Police is next,

13
14 Derick Berlage,
15 Yep,

16
17 Council President Leventhal,
18 Chairman Andrews will walk us through the Park Police budget item,

19
20 Councilmember Andrews,
21 All right. Well, this is a budget that was considered by both the Public Safety and PHED
22 Committees. And the options that are laid out on page three of the packet by Linda
23 McMillan I think combine a number of factors regarding the LAPSE to assume, the
24 number of sworn officers to assume, and number of new seasonal positions to assume.
25 The Committees did not endorse the proposal at this time to establish a program of
26 Rangers, but did recognize -- did ask the agency to come back with a lot more detail in
27 the fall about how the agency envisions that would work and where it would fit into the
28 agency and its relationship to other aspects, as well. But did recognize that one of the
29 major problems facing the parks is the misuse of parks by groups that don't have
30 permits to use them. And the potential for conflict is very high there. And we -- the
31 Committee has agreed that that needs to be addressed now and is supporting the
32 addition of seasonal positions for that purpose -- specifically for that purpose, to address
33 that issue. The Public Safety Committee recommended, as well, that the full
34 complement of 95 police officers be funded, rather than the requested 94, feeling that
35 they are needed, that that has been our practice with the County police, to fund
36 whenever we can the full complement. In fact, we're increasing significantly the
37 complement at County Police. but also to underscore the support for the
38 recommendations of the Office of Legislative Oversight's report that the agency look at
39 how it might redeploy existing officers to improve the coverage of park patrol,
40 particularly on a seasonal basis where the parks are most heavily used, and on the
41 days of the week where they're most heavily used. The Park Police already take into
42 account time of day in factoring their assignments, but not necessarily some other
43 factors that we think they should take a look at, as well. So the recommendation that
44 makes the most sense, in the view of at least this Chair, and I think the Committees are



May 8, 2006

1 really here when you combine our recommendations, are to look at option six on page
2 three, which would assume the 7.5% LAPSE, would fund six new seasonal positions for
3 the purpose of addressing misuse of parks, and to fund 95 sworn officers. That results
4 in a small reduction of \$19,000 from the requested budget and the budget then would
5 be \$10,796,000. So that is the best combination of options, I think, based on the two
6 Committees' review of the budget. And Linda McMillan has spent a lot of time, and
7 Marlene Michaelson, as well, working through the numbers and that is the
8 recommendation. That's their recommendation and I think it is consistent with both
9 Committees' recommendation, as well,

10
11 Council President Leventhal,
12 There are no questions and no lights,

13
14 Councilmember Andrews,
15 Okay,

16
17 Council President Leventhal,
18 So thank you very much upon the Park Police. We next turn to the Park and Planning
19 CIP. Is Chairman Silverman back with us? He is back,

20
21 Councilmember Silverman,
22 Thank you, Mr. President. We are now turning to follow-up items in Park and Planning's
23 CIP. Let's start with the Wheaton Tennis Facility. We had extensive discussions about
24 the indoor tennis facility at Wheaton Regional Park. A lot of different options presented
25 to us, which I will not detail, by Park staff. We appreciate their hard work in a short
26 period of time and the Committee recommendation is to support a new PDF to fund the
27 renovation of the Wheaton Tennis Bubble and planning for auxiliary facilities. The PDF
28 is attached on Circle 23 and the costs associated are \$1.4 million. This will be -- I'm
29 trying to remember which option this is here. Option 2B. To be or not to be. It's Option
30 2B. This will get a renovated facility and planning money of \$115,000 for facility
31 planning for auxiliary facilities, but no agreement to actually build them out. But this will
32 allow people to be able to play inside without gloves and coats in wintertime,

33
34 Multiple Speakers,
35 [INAUDIBLE]

36
37 [LAUGHTER]

38
39 Councilmember Perez,
40 Mr. Andrews, that was the only term of agreement I had. The only way I was going to
41 play him,

42
43 [LAUGHTER]
44



May 8, 2006

1 Councilmember Silverman,
2 Was if he was wearing gloves and a parka?

3
4 Councilmember Perez,
5 He was wearing gloves and a parka,

6
7 Derick Berlage,
8 Boxing gloves,

9
10 Councilmember Perez,
11 Yes, and a cap. And boots,

12
13 Councilmember Andrews,
14 Hey, wait a second,

15
16 Derick Berlage,
17 How about a suit of armor?

18
19 Councilmember Silverman,
20 Now, just so everybody knows, this is Current Revenue -- I mean this is listed as
21 Current Revenue at this point. And I can't remember, can we -- did we determine
22 whether we could bond for this?

23
24 Marlene Michaelson,
25 Well, the Executive very strongly recommended against that. And in terms of the
26 Enterprise Fund, they felt that given their fiscal situation, it couldn't be Enterprise Fund,
27 so Current Revenue was the compromise funding source that everyone seemed to feel
28 comfortable with,

29
30 Councilmember Silverman,
31 Right. I'll.,

32
33 Council President Leventhal,
34 And this was not included in the CIP the County Executive sent us?

35
36 Councilmember Silverman,
37 It was not,

38
39 Council President Leventhal,
40 So this is a Council add-on,

41
42 Councilmember Silverman,
43 Right,



May 8, 2006

1 Multiple Speakers,
2 [INAUDIBLE]

3
4 Council President Leventhal,
5 Mr. Perez,

6
7 Councilmember Perez,

8 As long as we're on sports, I do want to thank my friend and colleague, Mr. Silverman
9 and Mr. Knapp. The Park Police -- we were sad that they were not able to make the
10 Long Branch tournament on Saturday,

11
12 Councilmember Praisner,
13 Who won?

14
15 Councilmember Silverman,
16 It's not all about winning,

17
18 Councilmember Praisner,
19 Sure it is!

20
21 [LAUGHTER]

22
23 Councilmember Knapp,
24 It's all about the kids,

25
26 Councilmember Perez,
27 Ms. Praisner, everybody won,

28
29 Councilmember Silverman,
30 Everybody was a winner,

31
32 Councilmember Knapp,
33 The kids won,

34
35 Councilmember Praisner,
36 Yeah, but what was the score?

37
38 Councilmember Perez,
39 Let's just say we came in second,

40
41 Councilmember Knapp,
42 It was only a five-point game, we did all right,

43
44 Councilmember Perez,



May 8, 2006

1 But we all had fun and it was a good day and I must candidly acknowledge that the
2 MVP of our team was the Councilmember from District Two who...

3
4 Councilmember Praisner,
5 Has height on them,

6
7 Councilmember Silverman,
8 You can't teach heights,

9
10 Councilmember Perez,
11 It's the combination of height..,

12
13 Councilmember Knapp,
14 It's the only reason I can play this sport,

15
16 Councilmember Perez,
17 ...and great basketball instincts. So we all had fun,

18
19 Councilmember Praisner,
20 No double dribbling?

21
22 Councilmember Perez,
23 And by far the best basket of the day was by the delegate from District 14, Anne Kaiser,

24
25 Councilmember Praisner,
26 Anne Kaiser, well, she plays with the governor, you know,

27
28 Councilmember Perez,
29 So I do want to point that out. On a more serious note, I do appreciate the work of the
30 Committee on this and I appreciate the work of a number of activists in Wheaton on this
31 issue. This isn't like some golf courses that are chronic money losers. The tennis bubble
32 is a money maker. And when we have a good tennis bubble, it will be an even better
33 money maker. We don't have to speculate on that. We can simply look at the evidence
34 of other bubbles that are actually not falling apart. And so it is clear, because
35 periodically people ask why would you invest money in a project like this? This seems
36 rather frivolous. Well, actually it is a money maker and it's something that bears
37 repeating. So thank you to the community members who brought it to our attention.
38 Thank you to the Chairman and to Mary and others at the Planning Board and thank
39 you to the Committee for their hard work,

40
41 Council President Leventhal,
42 Mr. Andrews, let's see if you can return that serve,

43
44 Councilmember Andrews,



May 8, 2006

1 Well, following up on Councilmember Perez's point, they are indeed money makers.
2 The Cabin John Tennis Center makes money, as well, but the point is that Wheaton
3 won't keep making money if it collapses. And so...
4

5 Councilmember Perez,
6 It will make money for the trial lawyers though,
7

8 Councilmember Andrews,
9 It will make money as long as there is a functional bubble, but at some point it will be
10 gone. So it is important to replace this. The money that has been made by the tennis
11 centers has not been plowed back in the past and that's why it's now at a point where
12 urgent action needs to be taken. So there are many users of these tennis bubbles
13 around the County, indoor tennis centers. People travel a good distance to play at
14 Wheaton as well as Cabin John. And they're very heavily used and need to be
15 maintained and continue to be maintained so they make money for the County in the
16 future at a reasonable level. So it's important to keep up our facilities and that's what
17 this does,
18

19 Council President Leventhal,
20 The ball has been lobbed to you, Chairman Silverman,
21

22 Councilmember Silverman,
23 I'll see if I can return the volley. All right, I guess I would just -- this is personal
24 observation -- that I would ask -- I appreciate the position of the Executive branch. I
25 would also like to get the opinion of Dr. Orlin, the Master of Reconciliation, as to
26 whether a tennis bubble which is going to last for 15 years at least is eligible for bond
27 funding. At the end of the day, it may not make any difference,
28

29 **Councilmember Marlene** Michaelson,

30 I don't think it was a question of whether this type of facility is eligible. It was a question -
31 - the Executive felt that you should not use GO Bonds to fund the Enterprise Fund,
32 which is supposed to be self-supporting. I'm not quite sure why Current Revenue was...
33

34 Councilmember Silverman,
35 In any event, I'm just going to pass this along as a request that I have for him to take a
36 look at that in the mix of what he does, since it's a fairly significant dollar amount. Okay,
37 the next item is -- no?
38

39 Council President Leventhal,
40 Mr. Subin,
41

42 Councilmember Subin,
43 Didn't we just issue -- it was a different kind of bond, like for 10 or 12 years? I remember
44 Mr. Firestine was in here about...



May 8, 2006

1
2 Councilmember Praisner,
3 Yes, it's Certificates of Participation,
4

5 Councilmember Subin,
6 Is that a possibility here?
7

8 Derick Berlage,
9 No,
10

11 Councilmember Subin,
12 Okay,
13

14 Derick Berlage,
15 I can explain why if you want, but no,
16

17 Councilmember Subin,
18 As long as everyone's agreeing, I don't think it...
19

20 Councilmember Silverman,
21 Next item is South Germantown Recreation Park's SoccerPlex facilities. The Committee
22 recommended deleting the money that was put in -- no, that's not right. To not
23 appropriate the money. Sorry, I'm confusing it with the operating money. We're just not
24 going to appropriate the money for phase two. We'll include that discussion at the same
25 time the Council reviews the lease amendments associated with the SoccerPlex. And
26 that's also what we're doing with the money that's in the -- what is it, the \$100,000 that's
27 in the operating budget. Okay. Item three, the -- all at once...
28

29 Multiple Speakers,
30 the M-O-O-seum,
31

32 Councilmember Silverman,
33 Well, thanks to the hard work of our delegation in Annapolis and a small suggestion by
34 the PHED Committee that maybe it would be a good idea to knock on a door or two, we
35 only have a gap of \$69,000 to fund the MOOseum. And so the Committee is in fact
36 recommending GO Bond funding be increased by \$69,000, therefore being a decrease
37 of \$150,000 from Park and Planning's recommended CIP,
38

39 Derick Berlage,
40 We milk Annapolis whenever we can,
41

42 Council President Leventhal,
43 Mr. Subin,
44



May 8, 2006

1 Councilmember Subin,
2 On the SoccerPlex, if one were to try to get to the SoccerPlex from Clopper Road, how
3 would they get there? If they didn't know where they were going?

4
5 Council President Leventhal,
6 It's Richter Farm Road, I think,

7
8 Councilmember Subin,
9 Well, but how would they know?

10
11 Council President Leventhal,
12 Isn't there a sign?

13
14 Councilmember Subin,
15 No,

16
17 Councilmember Silverman,
18 What'd you say, practice?

19
20 [LAUGHTER]

21
22 Councilmember Subin,
23 If one is not sure exactly where to go to get to the SoccerPlex and you make the
24 mistake of going up Clopper Road, you'll end up in Boyds or somewhere else,

25
26 Council President Leventhal,
27 Can we get some signage?

28
29 Derick Berlage,
30 There is signage on 118 on Richter Farm but we can..,

31
32 Councilmember Subin,
33 But if you use -- if you're not sure and you know you can get there going up Clopper
34 Road...

35
36 Derick Berlage,
37 Yes, yes, the answer is yes. Tell us where you think it should go and we'll be happy to
38 look get it,

39
40 Councilmember Subin,
41 Well, I think if you could put it -- if you wanted them going down 118 or across 118, just
42 put the sign, take a left or a right on 118, but if you go -- if you're not coming east on 118
43 and you're not sure, you won't get there,



May 8, 2006

1 Mary Bradford,

2 We'll try to get that information about where we can put the sign from you and from your
3 office. I will just add that improving signage to our facilities is one of the identified
4 initiatives for me in the coming year because I've noticed some of the same things with
5 some of the other facilities. So any extra information you can give us about this
6 particular one, I'll take it. Thank you,

7
8 Council President Leventhal,
9 Mr. Knapp,

10
11 Councilmember Knapp,

12 I appreciate Mr. Subin's recognition of the difficulties in the getting the SoccerPlex and I
13 look forward to better signage. And I'd also suggest we put some on Great Seneca. Just
14 as you're coming up both ways, Great Seneca, Clopper, and then you've kind of got
15 everybody coming from every direction,

16
17 Councilmember Subin,

18 Even if you're coming up Great Seneca -- if you want folks to use Richter Farm Road,
19 and you're coming up Great Seneca, you're still not going to do it,

20
21 Councilmember Knapp,

22 And I appreciate the Committee's efforts on the MOOseum and for the SoccerPlex, I
23 look forward to coming back to that. I think all of my colleagues have been invited on
24 Thursday and Friday of this week at the MOOseum, will be the first and second graders
25 of at least Matsunaga. I don't know if they've got another school brought in or not, but
26 using the MOOseum to have better understanding of agricultural society and the impact
27 that agriculture has on our day-to-day existence. And so I would urge people if we get
28 out early on Thursday or Friday to go on up and take a look,

29
30 Council President Leventhal,
31 Okay, Mr. Silverman,

32
33 Councilmember Silverman,
34 That's it,

35
36 Council President Leventhal,
37 That's it,

38
39 Derick Berlage,

40 Thank you very much. Remember the Technology money, please,

41
42 Council President Leventhal,

43 And we now turn to the MFP Committee. I believe Mr. Andrews is going to take the
44 lead. Let me state that we all congratulate Council Vice President Marilyn Praisner,



May 8, 2006

1 along with Montgomery College President Dr. Charlene Nunley, on their selection by the
2 Maryland "Daily Record" as two of Maryland's Top 100 Women. And the recognition
3 ceremony for that event is this afternoon So the Council Vice President will be there
4 receiving her well-deserved recognition and Mr. Andrews will walk us through the
5 remainder of the MFP Committee items. Mr. Perez?

6
7 Councilmember Perez,

8 I actually have to go to that event because I had the privilege of doing one of those
9 judges. Rose Krasnow is also being recognized at that event, and I saw her here earlier,
10 so wanted to congratulate her,

11
12 Council President Leventhal,
13 Congratulations to Rose Krasnow, as well. Terrific,

14
15 Councilmember Perez,
16 And Bill Mooney also was recognized as one of Maryland's Top 100 Women,

17
18 [LAUGHTER]

19
20 Councilmember Perez,
21 Bill, congratulations,

22
23 Council President Leventhal,
24 Okay, Mr. Andrews on behalf of the MFP Committee,

25
26 Councilmember Andrews,
27 Thank you. All right, the first budget we're taking up is the Office of Public Information,
28 very straightforward,

29
30 Councilmember Silverman,
31 Isn't there a Jeep in there we can take? Come on, there ought to be a Jeep in there
32 somewhere,

33
34 Councilmember Andrews,
35 I don't know if there's still a Jeep in there, but..,

36
37 Unidentified Speaker,
38 Voluntarily gave it up. Preemptive strike,

39
40 Councilmember Subin,
41 He's counting on the government,

42
43 Councilmember Andrews,



May 8, 2006

1 No significant changes to this budget. The Committee recommended it as approved by
2 the Executive. It's a total of nine workyears, \$1.24 million. Some minor notes on page
3 two, but there is no major change to this budget.

4
5 Council President Leventhal,
6 Okay, and there are no questions. So David Weaver, get out while the getting's good,

7
8 David Weaver,
9 Thank you,

10
11 Council President Leventhal,
12 Take the money and run,

13
14 David Weaver,
15 Thank you, Mr. President, Councilmembers,

16
17 Council President Leventhal,
18 Okay, next up is the Ethics Commission,

19
20 Councilmember Andrews,
21 Ethics Commission, a similar situation. It's a very small budget recommended for
22 \$225,000, 2.5 workyears -- 2.6 workyears. Really not much difference, just adding a
23 part-time Principal Administrative Aide, so we're going from two workyears to 2.6. That
24 is the change. Reducing the contract for clerical services to compensate for that and
25 reducing the Program Specialist from full-time to part-time. So a little shifting in the
26 personnel, basically the same budget as this year. And the Financial Disclosure
27 System, the office continues to work to be more proactive in reaching out to employees
28 about potential conflicts of interest and the importance of knowing the ethics laws.
29 Committee recommends approval as submitted by the Executive,

30
31 Council President Leventhal,
32 There are no questions. Without objection, the budget is approved,

33
34 Unidentified Speaker,
35 Thank you,

36
37 Councilmember Andrews,
38 You're welcome. That was easy,

39
40 Council President Leventhal,
41 So next we turn to..

42
43 Councilmember Andrews,



May 8, 2006

1 Next are NDA Leases. The Committee recommended approval as the Executive
2 recommended. The leases are detailed, I'm not going to go through them, all on page
3 two and three. There are eight of them that are new leases in the FY '07 budget. If there
4 are any questions on this, I know Chuck Sherer, if he is here, can answer them, but we
5 did not make any changes in Committee to the recommendation of the Executive,
6

7 Council President Leventhal,

8 And no questions. Without objection, we approve the NDA Leases,
9

10 Councilmember Andrews,

11 Okay, next is recommendation regarding the Capital Improvements Program for Glen
12 Echo Park. The Committee is recommending that the County Council appropriate only
13 the County share at this time of \$700,000 and the \$475,000 that was approved by the
14 General Assembly in April, which is a total appropriation of 1.175. The Committee did
15 not agree with the Executive's recommendation of appropriating the full amount that
16 would be required because we do not want to let the Federal Government off the hook,
17 or the State Government, for the remaining \$275,000 or so -- 225 that we do expect to
18 receive from them next year. And so the recommendation is to appropriate \$1.175
19 million and to appropriate the remainder from the State and the Federal government
20 when we receive it,
21

22 Council President Leventhal,

23 Mr. Denis,
24

25 Councilmember Denis,

26 Thank you, Mr. President. I did go along with this in Committee and I'm not interposing
27 any objection now. I think this is the best we can reasonably do under the
28 circumstances, but I did want to thank the County Executive for recommending the \$2.1
29 million and also for those over at Glen Echo, who've worked so hard to make Glen Echo
30 the tremendous success it is for the County and for the region, particularly Ben Bialek
31 and Katie [Berner]. And also in our delegation in Annapolis, I think kudos to Senator
32 Brian Frosh. That \$475,000 did not happen automatically, and it almost did not happen
33 at all. In fact, it started out at a high level, \$375,000 from nothing in the House and then
34 in the Senate, it went up another \$100,000. The way these matters are done now, you
35 don't go to a Conference Committee. when there is a dispute between the House and
36 the Senate, you basically take the higher amount that is in the second point. So I think
37 Senator Brian Frosh and Senator PJ Hogan did a great job to get that \$475,000. I also
38 want to thank my own staff, and particularly Adrienne Goudy Lewis, who has worked so
39 hard on this issue. So I think this is a very good result under the circumstances. It keeps
40 us up and running and enables us to make continuing progress. And I think that even
41 more progress can be made next year. Thank you,
42

43 Council President Leventhal,



May 8, 2006

1 Okay, that's that on Glen Echo Park. Next we have the Office of Management and
2 Budget,

3
4 Councilmember Andrews,

5 That's right. The budget was recommended for approval by the MFP Community as
6 submitted by the Executive. Noted that the request includes no significant change from
7 the current budget. I think the impression of the Committee has been that this has been
8 a pretty tight budget over the years. Since well -- under the last administrator as well,
9 under Mr. Kendall, and it continues to be a modest budget given all the analysis they
10 have to do. So the Committee did not recommend any reductions in the Executive's
11 proposal to this budget. We think scrutiny in budgets is very important and we want it to
12 continue,

13
14 Council President Leventhal,
15 I want to know what the "Verb Report" is,

16
17 Councilmember Andrews,
18 What's that?

19
20 Council President Leventhal,
21 I want to know what the Verb Report is,

22
23 Beverly Swaim-Staley,

24 Oh, yes. We'd love to work with you to replace that. It's something that's been used
25 historically to attempt to identify changes in the budget. So it is literally a group of verbs,
26 such as "enhance" or "increase," that are used in a variety of the crosswalks. It's part of
27 the automated system. So these verbs actually come out of the system depending upon
28 what has been entered. And you will see them used throughout the budget book to
29 describe what has happened. There is a definition for each of these verbs so that ideally
30 they're not just -- it's not anyone's discretion to select the verb. There're a finite universe
31 of the verbs, they are defined in the book,

32
33 Council President Leventhal,
34 That's really interesting. Well, thank you very much. Okay, without objection, OMB's
35 budget is approved. And we now have before us the PHED Committee's
36 recommendation, Chairman Silverman. NDA: Conference and Visitors' Bureau. Thank
37 you very much, Mr. Andrews, for filling in on MFP,

38
39 Councilmember Andrews,
40 You're welcome,

41
42 Council President Leventhal,
43 Chairman Silverman, Conference and Visitors' Bureau,



May 8, 2006

1 Councilmember Silverman,
2 Yes, Mr. President, CVB. Planning, Housing, and Economic Development Committee
3 unanimously recommends that we approve the CVB's budget, \$592,900 as
4 recommended. We also had a discussion about cooperative marketing. We encouraged
5 them to continue their effort for cooperative marketing with other entities, especially
6 around the state of Maryland, and perhaps get some money from the Chambers of
7 Commerce, Park and Planning, Rec Department, Revenue Authority, and Arts and
8 Humanities Organizations for marketing and advertisement. They get more money this
9 year because the hotel/motel tax is up and since their funding is directly tied to that, the
10 revenues from the hotel/motel tax are up. And as a result of that, then they end up with
11 \$114,800 more than they would have otherwise gotten. That's the Committee's report. I
12 don't see Kelly here,

13
14 Council President Leventhal,
15 Okay,

16
17 Councilmember Silverman,
18 Perhaps we shouldn't fund it. No, that was a joke. That's Mr. Denis's view -- you want
19 the money, you got to show up,

20
21 Councilmember Denis,
22 Well, Peter Bang worked on it. We're getting a good bang for the buck here,

23
24 Council President Leventhal,
25 Okay. There are no questions and the Conference and Visitors' Bureau budget is
26 approved. We have NDA on Conference Center,

27
28 Councilmember Silverman,
29 Okay, this is the Conference Center. We are recommending approval of the Conference
30 Center NDA as submitted, \$594,850, which includes funds for a full-time position to
31 manage the operational and fiscal oversight of the Conference Center Complex on
32 behalf of the County, Nonroutine or major repairs, alterations, improvements, renewals
33 and replacements, and reserve funds required by the Management Agreement. This is
34 actually a reduction from last year. Outstanding job, Mr. Edgerly,

35
36 Council President Leventhal,
37 Mr. Edgerly, welcome,

38
39 David Edgerly,
40 Thank you,

41
42 Council President Leventhal,
43 How much revenue is the Conference Center turning into the General Fund?



May 8, 2006

1 David Edgerly,
2 In the first year, it was \$1 million. Projected in next year, \$2 million. And that's only a
3 projection this time based on...

4
5 Council President Leventhal,
6 You expect to hit a sort of steady state at some point?

7
8 David Edgerly,
9 In the original feasibility study, there was a stabilization period of about two years. We're
10 about in that threshold during the second year, so it's probably going to stabilize about
11 there,

12
13 Council President Leventhal,
14 Stabilize at about \$2 million a year?

15
16 David Edgerly,
17 We don't know if it's on or off,

18
19 Council President Leventhal,
20 Push it down. Down. Yeah, you're good,

21
22 Tina Benjamin,
23 Okay, I'm sorry. I was waiting for the light. it will stabilize it at about \$2 million, but then
24 actually it goes down a little bit because the FF&E reserve, which is Furniture, Fixture
25 and Equipment, it steps up over time so we started at 1% and we move our way up to
26 5% of revenues. And then that..,

27
28 Council President Leventhal,
29 As the facility ages,

30
31 Tina Benjamin,
32 Exactly, and then that fund is used to replace the carpet, you know, any damaged
33 furniture, broken plates, when people take knives and forks from us, things like that,

34
35 Council President Leventhal,
36 Now how much of that -- If we have an event like the Human Rights Awards that was
37 held there at the Conference Center, we pay the same rate -- we the County pay the
38 same rate as any other user?

39
40 Tina Benjamin,
41 Every user negotiates with Marriott on a price. The County doesn't get a discount for
42 any of those, no. But they negotiate with us,

43
44 Council President Leventhal,



May 8, 2006

1 Per event?

2
3 Tina Benjamin,
4 Correct,

5
6 Council President Leventhal,
7 So if the County, for example, has a large volume of events, Marriott might negotiate
8 some sort of discount, the same way it might with NIH or any anyone else who had a
9 large volume of events?

10
11 Tina Benjamin,
12 That's correct,

13
14 Council President Leventhal,
15 Okay, there are no further questions on this item. The NDA for Conference Center is
16 approved. That takes us to your budget, Mr. Edgerly,

17
18 Councilmember Silverman,
19 Thank you, Mr. President. Any opening remarks?

20
21 David Edgerly,
22 Certainly. I'll be very brief,

23
24 Council President Leventhal,
25 Well, before you be brief -- Kelly you're done, you got your budget,

26
27 Unidentified Speaker,
28 Go promote the Conference Center,

29
30 Councilmember Silverman,
31 Even though you snubbed us by not being here,

32
33 Council President Leventhal,
34 No joke. Honestly, you don't need to make a statement or anything. Thanks for your
35 good work,

36
37 Unidentified Speaker,
38 Go out and promote -- promote the Conference Center,

39
40 Council President Leventhal,
41 Okay, Mr. Edgerly,

42
43 David Edgerly,



May 8, 2006

1 I want to thank the -- also I should compliment Kelly that we are now co-located with the
2 Conference Visitors' Bureau in our office, and it's been a very, very synergistic
3 relationship. We're finding new ways to work together and they are doing a great job. I
4 want to thank the Committee for their work on our budget, the staff, OMB, God,
5 Country... But I do want to say that we've submitted what I think is a very good almost
6 status quo-like budget. There's aren't a lot of new things,

7
8 Councilmember Silverman,
9 That's why we added a bunch of stuff to it,

10
11 David Edgerly,
12 That's right. So we look forward to working with the Council next year implementing it.
13 Be happy to answer any questions,

14
15 Council President Leventhal,
16 I have quite a few,

17
18 David Edgerly,
19 Good,

20
21 Council President Leventhal,
22 I have some questions for Mr. Edgerly and I have some questions for Chairman
23 Silverman, but I'll defer and let other Councilmembers go first. Ms. Floreen followed by
24 Mr. Denis,

25
26 Councilmember Silverman,
27 Oh, you want -- okay, are these like opening salvos, as opposed to going through the
28 Committee recommendations?

29
30 Council President Leventhal,
31 We're going to do all those things, but the lights are on, so I'm calling on the
32 Councilmembers,

33
34 Councilmember Floreen,
35 I just wanted to make a general comment -- thank you, Mr. President. I just wanted to
36 express my personal appreciation to Jeremy Criss, because he's done outstanding
37 work, I think, on the agricultural issues that we've been dealing with on a very time
38 pressured basis and has juggled many, many balls. Everyone's been doing a good in
39 your shop, as far as I'm concerned, but I think Jeremy deserves additional recognition..,

40
41 Councilmember Silverman,
42 Give him another Jeep,

43
44 Councilmember Floreen,



May 8, 2006

1 ...for his hard work and tremendous spirit and enthusiasm and really dogged attention to
2 the demands and issues raised by the AG issues that we've been dealing with and will
3 continue to deal with. We didn't really talk about that in Committee, but I wanted to say
4 that here. So thank you very much for Jeremy. I'm worried about how much work
5 Jeremy is doing, but he seems to be doing it very well. So there is no complaint here,
6 and only appreciation,

7
8 Council President Leventhal,
9 Mr. Denis,

10
11 Councilmember Denis,
12 Yes. Thank you, Mr. President. This is not a general comment, just a question about
13 something that's not here, or at least something I can't find and would like some
14 clarification on, and that's the \$150,000 that I thought there was sentiment expressed by
15 the Council to do for small business -- the Small Business Loan Fund. I think if it were
16 going to be anywhere, I guess it would be under the Local Small Business Reserve
17 Program,

18
19 Justina Ferber,
20 It's in the Economic Development Fund and we're not doing that today,

21
22 Councilmember Denis,
23 So we don't even have it before us?

24
25 Justina Ferber,
26 Not today. It's next Monday,

27
28 David Edgerly,
29 On the 15th,

30
31 Justina Ferber,
32 But there's \$150,000,

33
34 Councilmember Denis,
35 There is? I thought it would be in this budget. Okay, I'm sorry,

36
37 Justina Ferber,
38 It's in the Economic Development Fund budget,

39
40 Councilmember Denis,
41 Okay, great. Thanks,

42
43 Councilmember Silverman,
44 For some unknown reason, we're not doing it today,



May 8, 2006

1
2 David Edgerly,
3 Is there a reason?

4
5 Councilmember Silverman,
6 I have no idea why,

7
8 Council President Leventhal,
9 Because we can't get enough of you, David,

10
11 Justina Ferber,
12 Because we're waiting for the information on the Nederlander,

13
14 Council President Leventhal,
15 We're waiting for the information on a big project. Okay, Mr. Silverman, proceed,

16
17 Councilmember Silverman,
18 We'll cover the specifics that were add-ons to the Reconciliation List later. Let's just go
19 to the overview of the budget. It is contained on page two. The adds and decreases are
20 here. We'll get to them, but basically adding the Rockville Business Incubator, there are
21 personnel adjustments, elimination of onetime items, grant reduction from the Feds for
22 Workforce Investment, and adding a Gang Prevention Initiative At-Risk Youth
23 Employment. The Marketing and Business Development Program is outlined on page
24 three. It is a change that really involves shifting positions around within the office. And
25 the expenditures actually drop within the Marketing and Business Development
26 Program itself. There is some additional information on marketing and specific projects
27 on the bottom of page three if there are questions about those items,

28
29 Council President Leventhal,
30 No. No questions,

31
32 Councilmember Silverman,
33 Okay. We did have discussions about Marketing and Business, there is some highlights
34 of Committee references to specific things. We wanted to get information about
35 public/private partnerships. which we'll get then DED can quantify its partnership
36 activities. We talked a little bit about the Washington Board of Trade and the Booz Allen
37 Classic and DED will obviously take a look at that depending on what happens with the
38 Booz Allen classic. And we had a discussion about the parameters of the monies that
39 go into continue to review the BRAC effort and the recognition that there are other
40 BRAC efforts that are going on in the County as well. Let's move onto workforce,

41
42 Justina Ferber,



May 8, 2006

1 Marilyn said in the Committee -- which I didn't have in my notes -- she said the \$48,000
2 plus the \$24,000, the \$72,000 contract was shifted to Office of Intergovernmental
3 Relations,

4
5 Councilmember Silverman,
6 She said it was shifted?

7
8 Justina Ferber,
9 That the PHED Committee shifted it,

10
11 David Edgerly,
12 I don't believe the vote was taken by the Committee to shift. It's a new contract. But I
13 think her Committee, MFP took that up and there may be a recommendation coming
14 from the Council from the MFP Committee about the placement of that particular
15 contract,

16
17 Councilmember Silverman,
18 Mr. President, I would suggest, since she's not here, we ought to take that up as a
19 stand-alone item,

20
21 Justina Ferber,
22 The MFP Committee has made a recommendation, you can take it up when you get
23 to..,

24
25 Councilmember Silverman,
26 the Office of Intergovernmental Relations. Okay. I think..,

27
28 Council President Leventhal,
29 Okay, Mr. Knapp,

30
31 Councilmember Knapp,
32 There is a reference here to a conversation the Committee had, looking at the
33 Washington Board of Trade and the Booz Allen Classic. It appears as though you're
34 going to shift some funds, was there a discussion as to taking all of the funds?

35
36 Councilmember Silverman,
37 No, what we did is we basically left it up to the discretion of the Director as to whether
38 there might be any shifting based on what they believe their needs are. We did not --
39 this is in a pot of money called Marketing and Business Development and we did not
40 want to do anything other than to suggest that ought to be something that gets looked
41 at, but not even a specific direction from the Committee. It was simply a matter of are
42 there other opportunities for partnerships that might reduce contribution to Booz Allen
43 but it was nothing more than a suggestion. And we of course have no idea of course
44 what's going to happen with Booz Allen anyway,



May 8, 2006

Councilmember Knapp,
Right, right. Okay,

Council President Leventhal,
Okay, keep going, no further questions,

Councilmember Silverman,
Okay, Workforce Investment Services, feds basically slashed and burned and so there is -- we lost \$1 million there. The Montgomery Work-Life Alliance is now housed under the Workforce Investment Services as a Workforce Initiative. That's a public/private partnership and there was a gang prevention monies put in which will improve economic -- improve employment opportunities for at-risk youth. This is completely different than the proposal that had been sent over by the Executive last year for an actual Summer Youth Employment Program. This is a targeted initiative which includes a bilingual Workforce Specialist focusing specifically on higher risk gang members, providing workforce related intervention efforts for folks -- youth, gang youth released from incarceration, or who are seeking direct pre-employment services, job training or employment. Expected to provide services to at least 100 gang involved and at-risk youth, And the Committee supported it. We did have some comments about, again trying to look at Gang Prevention activities collectively and we know that DED is going to work closely with the Corrections Department, as they already are,

Council President Leventhal,
Okay,

Councilmember Silverman,
Agricultural Services, this is a \$6,000 change reflecting a salary supplement for state MDA Soil Conservation District positions. We did have a brief humorous discussion about the refrigerated trucks, cold boxes, and two trailers, but decided to leave that in the capable hands of Mr. Knapp,

Councilmember Knapp,
The variety of things we get to deal with in the Upcounty sometimes. I just wanted to thank Jeremy too. If you look at the Ag Services portion, it looks like it's a relatively contained series of activities. I know that Jeremy runs in about 78 different directions to keep all of the different pieces moving. I thank him for his efforts. The one question I had is I look at FY '06 expenditures versus '07, it's actually a \$40,000 reduction. How do we keep the same workyears and actually reduce the budget?

Jeremy Criss,
It's primarily the 25th anniversary of the Ag Reserve, the Agricultural Initiatives that were identified,



May 8, 2006

1 Councilmember Knapp,
2 Onetime expenditures from last year,

3
4 Councilmember Silverman,
5 There is always the 26th anniversary though,

6
7 Jeremy Criss,
8 We like you,

9
10 Councilmember Knapp,
11 Okay, I think that's paper clips,

12
13 Councilmember Silverman,
14 I may be wrong about that. All right. We'll move on -- is that all right Mr. Knapp?

15
16 Councilmember Knapp,
17 Yep, I think so,

18
19 Councilmember Silverman,
20 Let's move onto Finance, Administration, and Special Projects. This is where the
21 Rockville Business Incubator is. Debt service and operating support, onetime start-up
22 funds, plus the local Small Business Reserve Program, adding three workyears and
23 annualizing the cost of LAPSE positions. There is extensive backup material here on
24 the Economic Advisory Council, the Tech Council, and Enterprise Zones. We received
25 information that the Chambers of Commerce had assisted DED in notifying members
26 about the local Small Business Reserve Program, sending them materials, and there
27 have been presentations by staff on that. We are looking forward to getting a report at
28 some point on how it's going. City of Rockville is providing land and infrastructure for the
29 Rockville Incubator. Medco going to operate it, we're going to provide start-up costs and
30 debt service. So the recommendation was to -- on this one was to increase the LAPSE
31 by \$33,000, because we think it will take them a little bit longer to hire these three new
32 positions,

33
34 Council President Leventhal,
35 Okay,

36
37 Councilmember Silverman,
38 Office of the Director program; add one workyear because one position is splitting into
39 two positions. There is a shift of two positions from marketing to business development,
40 and a deduction of one position which is heading over to marketing and business
41 development, We had a discussion about various Life Science project funding, the
42 Minority Business Incubator, which we assume is what -- going to have an opening?

43
44 David Edgerly,



May 8, 2006

1 Probably in the next -- we're going to have a Use and Occupancy Permit within we hope
2 the next two weeks. We have 11 companies that have been selected. We're very proud
3 of that, because it's been a long time since 11 companies on one day opened in
4 Wheaton. We're going to let them get settled and have a soft Open House/Ribbon
5 Cutting, and certainly the Council will be notified of that,

6
7 Councilmember Silverman,

8 I was just going to say, just a small suggestion about that would be good. That would be
9 a good thing. Thank you. Okay, so we approved the Office of the Director Budget as
10 recommended,

11
12 Council President Leventhal,

13 Mr. Knapp -- wait, were you going to go to grants?

14
15 Councilmember Silverman,

16 I will unless there are other questions,

17
18 Council President Leventhal,

19 Well, Mr. Knapp has a question, and I have a question. Mr. Knapp,

20
21 Councilmember Knapp,

22 Thank you, Mr. President, I just want to follow up on two issues. One: I think it was last
23 year in the budget or maybe it was just during the course of the Economic Development
24 Update during the year. I know the reference in nanotechnology, there was an initiative
25 that we participated in last year. I was just curious to kind of get an update as to where
26 we're going with nanotechnology efforts, both within the County and then in conjunction
27 with state efforts. That's question one. The second question was any additional efforts
28 that we're seeing as it relates to Technology Transfer Programs specific to the County
29 and then more broadly are we doing things with folks statewide, anything new?

30
31 David Edgerly,

32 To the first question, our Nanotechnology Study Initiative was not funded as part of the
33 budget last year,

34
35 Councilmember Knapp,

36 Okay, that answers that question,

37
38 David Edgerly,

39 We continue to watch kind of the industry develop and it's becoming, as you know, an
40 industry. We continue to work and make staff assignments to work with the state
41 initiative to partner with the region to create a presence for nanotechnology and define
42 what it's going to be. With respect to Tech Transfer, we do that because we don't know
43 the intellectual property ourselves. We do that as a facilitator. We don't have a Transfer
44 Official or a Tech Transfer position, but we know enough about it to make the



May 8, 2006

1 introductions and the information referral to the offices that do. But I would have to get
2 back to you on what success we've had with those introductions. There is a formal and
3 an informal kind of market out there. And most of it -- people that have technology that
4 they want to commercialize or look for companies to partner with, they know how to find
5 each other. And there are a lot of forums for that going on. We attend a lot of those, but
6 we don't run them,

7
8 Councilmember Knapp,

9 No, I didn't think we did, we're going to serve as kind of the facilitator. I was just curious
10 as to what our efforts are. If you could get me, not today but at some point in the not-
11 too-distant future, just some of the different forums that you guys know you utilize to
12 help that facilitation for tech transfer. And then, from the nanotechnology perspective,
13 what do we see in other jurisdictions in the state do right now? I know the state has
14 funded some activity and has funded some stuff at the University of Maryland. Are we
15 within the state falling behind other jurisdictions? I would argue that we are falling
16 behind probably other states, because we're not putting as much in as we should. But
17 what are you seeing within the state?

18
19 David Edgerly,

20 I don't see much activity. It's not necessarily one of the prime directives that historically
21 has been associated with economic development organizations. Large organizations
22 need to lead the effort, the major universities in the state, whether that's Johns Hopkins
23 or the University of Maryland or any of its parts. And they all have Tech Transfer Offices
24 and they're beginning to focus in a stronger way, especially as they develop interests in
25 various developments. The Baltimore projects at Hopkins and the University, the Tech
26 Park at College Park. And so I think that's bringing some of their thoughts into focus. but
27 I think we have a ways to go, as I stated,

28
29 Councilmember Knapp,
30 Okay, all right. Thanks,

31
32 Council President Leventhal,
33 David,

34
35 David Edgerly,
36 Sure,

37
38 Council President Leventhal,

39 Look me in the eye. If Montgomery County allows Mayorga Coffee Factory to fail as a
40 result of our giving away Blair Mill Road to JBG Developers, I will make everyone
41 associated with this project's life a living hell. Mayorga has asked JBG to assist in
42 making up some of the lost revenue for the last two months. I'm told that JBG has said
43 no. I don't know who is advocating for this business, which is the cornerstone of South
44 Silver Spring Revitalization. At the last meeting, which Chairman Silverman had, very



May 8, 2006

1 kindly, at my request, Gary Stith said he would bird dog this issue. You can be assured
2 that when he comes before us in the budget, I will ask him. You can be assured that
3 when Elizabeth Davison comes before us in the budget I will ask her. The community
4 will be so outraged if we allow this cornerstone business to fail as a result of giving a
5 street away to a condo developer. I cannot begin to communicate to you how bad the
6 consequences would be for every elected official who represents Silver Spring and
7 every department head to works for any elected official who represents Silver Spring.
8 This would be so bad. I know that this is more germane to the Economic Development
9 Fund conversation. I know we're giving away an awful lot of money to Nederlander. I
10 know we're giving away -- potentially -- we're in negotiations to give a great deal of
11 money to have the Birchmere come. We cannot allow this small existing business to fail.
12 I'm going to forward you to the spreadsheet that Mayorga sent me
13

14 David Edgerly,
15 Okay,
16

17 Council President Leventhal,
18 indicating very clearly a very clear nexus between the premature closure of Blair Mill
19 Road and the precipitous drop in revenue in '06 compared to '05 for this cornerstone of
20 South Silver Spring revitalization. But I cannot impress strongly enough on people who
21 can do something about this that we must not allow this little business to sink. So I'm
22 taking this opportunity, I'm going to raise it again in the Economic Development Fund.
23 I'm going to raise it again with Gary Stith. I'm going to raise it again with Elizabeth
24 Davison. This would be a catastrophe for all of us, certainly for me, who -- standing for
25 election this year -- if the story came out that we closed this street prematurely, we
26 allowed it to be closed prematurely, that we voted, I voted, we all agreed to close it
27 without any forethought as to what would happen to the businesses that are trying to
28 make it work there. The signage is so-so. We have these fits and starts on the progress.
29 The signage is not really visible. I thought it was temporary signage, that was three
30 weeks ago. The temporary signage is still there. JBG makes these minimal efforts --
31 They're good people, I'm sure -- I've been in contact with them. I know the project
32 manager. But it is still bad and the revenue is still way down and we've got to give the
33 same hands-on attention to this that we are giving to Nederlander or some of these
34 other projects. This is a critical, critical component of that community,
35

36 David Edgerly,
37 Ill take that as a question,
38

39 Council President Leventhal,
40 Yeah, it's a question,
41

42 David Edgerly,
43 And I want to give you my response. I appreciate the leadership that you brought to
44 bringing all of us together and focusing on the issue also. If you go back to the



May 8, 2006

1 beginning Mayorga Coffee's project there was funded by our Department through the
2 Economic Development Fund created by this Council. We were the early champions
3 and supporters; we still are. Publicly what we can talk about, be happy to respond.
4 Privately I'd be happy to brief, because as you know there are some private issues that
5 complicate -- that are mitigating circumstances that are also things that have to be
6 worked on. The early response of JBG was not good. We've all brought that into focus
7 from Gary, to us, to forcing them into -- into at least listening to those issues. We will
8 continue to watch it. We will continue to advocate for Mayorga and the other businesses
9 in the area. And -- oh, by the way -- don't forget we have 21 companies in the Silver
10 Spring Innovation Center that also have concerns that are getting shuttle bused and
11 valet parked and their customers -- their customers are being challenged. We are
12 relocating one company that we know of to Wheaton at their request, because of the
13 customers that they -- and fortunately, thank you, we have Wheaton. It's of concern. It's
14 a project that not just we advocated for because it was the right thing to do to revitalize
15 a neighborhood. It was approved in very long processes by our land use body, Park and
16 Planning, with prescribed parking plans as to how things would be mitigated. They were
17 vetted in public. And for whatever reason, the plans didn't work the way they were
18 designed to do. So JBG has been asked to step back in. We're going to continue to do
19 that. George, I would suggest -- I was there. I've been there twice this week also seeing
20 how things work. I've talked with, I made sure that we're known to the parking folks. And
21 the blueberry muffins are as good as ever. But there are going to be impacts and I don't
22 want anybody to think that there aren't. It's how we might address those. We have a
23 limited Emergency Program. We may ask you to waive that limit. We may -- we may,
24 when you get to Economic Development Fund -- and this is not a seed that I'd like to
25 plant and maybe not supposed to plant. We may not have enough money in that fund to
26 deal with some of the revitalization efforts that are out there, especially if it's a minimal
27 amount in a emergency assistance program. We may have limited ourselves. So we
28 have some time to before the 15th to think about that,

29
30 Council President Leventhal,
31 Be prepared this question will come back,

32
33 David Edgerly,
34 But I just want you to know that we also are concerned -- and none of us are all-
35 powerful with respect to this, because there are issues again that we can not talk about
36 in public that concern us,

37
38 Council President Leventhal,
39 What did we get in return from JBG for giving them a street?

40
41 David Edgerly,
42 What did we get for giving them a street?

43
44 Council President Leventhal,



May 8, 2006

1 Yeah, we closed the street for them, what did we get in return?

2
3 David Edgerly,

4 The street and the land that is associated with the CSX parcel, as it's known, that was
5 on that side of the railroad tracks when the County did the acquisition for the Police and
6 Fire Substation. And a sliver of the WMATA land that we bought from WMATA was
7 used also in transfer to get value for the construction of the Silver Spring Innovation
8 center. The County has far less than the purchase price or the construction cost in that
9 Center because we use the value of that land to get that building construct today create
10 the 21 new companies, opportunities. So it was not a give away,

11
12 Council President Leventhal,

13 So the condo developer paid the lion's share of the Incubator?

14
15 David Edgerly,

16 Yeah. We had a state grant, we had a modest County appropriation, and then we had
17 the value of the land. The CSX land, for example, was valued at \$672,000. The WMATA
18 land was valued at \$120,000. We got full credit for that. So when the street was closed
19 it allowed for the property assemblage for all this to happen. If we can find a way for
20 those companies to survive this renovation the future is probably brighter than it ever
21 will be; with all the new residents, with the new vitality, with continued full occupancy for
22 SSIC, the retail use that will draw more people to the area, the quality parking that's
23 going to be in the structure and environment. It's during this 18-month construction
24 period that there are going to be issues. And the question that you pointed out so well is
25 what do we do with about them? I think we all need to continue to talk about it. And I
26 think we need to be action-oriented about it. Our department -- if you were to say "Is it
27 JBG's responsibility?" "Is it the County's responsibility?" I don't know the answer. I'm not
28 ready to ascribe who has a responsibility for the maintenance of those businesses.
29 Maybe we all should partner. But we may not have the resources at hand right now to
30 do it,

31
32 Council President Leventhal,

33 Fine. So I will forward to you the spreadsheet that I got from Mr. Mayorga...

34
35 David Edgerly,

36 We'll take a look at it immediately,

37
38 Council President Leventhal,

39 ...that describes the precipitous drop in his revenue right from when the street closed
40 compared to a year before when he was up and running and doing substantially more
41 revenue. You can say, "Well, the restaurant business is dicey," and "Nobody knows,"
42 and "It's speculative," and "You have good months and bad months." There is no
43 question, Wham! A huge whammy was hit to his business,



May 8, 2006

1 David Edgerly,

2 No, you can track this thing..,

3
4 Council President Leventhal,

5 Okay, so we'll talk again when we get to the E.D. Fund. Steve, you want to talk about
6 grants? I've gotta bunch of questions about those, as well,

7
8 Councilmember Silverman,

9 Sure. These four grants, One through Four, were taken up in Committee. In a couple
10 cases they were on our grant list. In a couple cases they were not. In every case they
11 relate to Economic Development issues and not the -- and therefore came to our
12 Committee because they were not part of the profile that our office understood was the
13 profile for the Community Grants. And that's why they were taken up in Committee. I
14 mean, real briefly in the case of the Asian Pacific American Chamber of Commerce they
15 had gotten money in the Department of Economic Development before. The County
16 Executive, in fact, granted them \$20,000. They had had a \$50,000 request to the
17 Executive. So the Committee reviewed this and put another \$30,000 on the
18 Reconciliation List. In the case of CASA this was covered in previous years through a
19 Community Development Block Grant, which expired because you can only get those
20 for so long. This relates to Small Business Development, Employment Service for Long
21 Branch residents and employability for women in the Long Branch Area. They had
22 asked for money from the County Executive, did not receive it. Our understanding is
23 they are working with the next partner -- the next individual -- the next company --
24 organization -- Latino Economic Development Corporation to try to have some type of a
25 Memorandum of Understanding, but they are providing completely different services. In
26 case of LEDC they had they had requested \$100,000 from the Executive, got \$50,000.
27 This is for employees in the LEDC Small Business Development Services arena where
28 they'll open a satellite office in Wheaton. And the last was Nonprofit Village which had
29 requested \$40,000 from the County Executive. This is really a planning -- this is
30 planning money for a Nonprofit Incubator. They requested \$40,000, they only got
31 \$10,000, which just will not get them to where they have to get to in terms of an actual
32 plan for a Nonprofit Incubator. And so the Committee added that to the Reconciliation
33 List. So those -- all four of those we believed were appropriate for the PHED Committee
34 to handle and all dealt with Economic Development issues. If I can I'll just mention real
35 quickly the last item, which comes out of Councilmember Knapp's request. We
36 discussed this extensively. The bottom line is \$25,000 for the charrette to help defray
37 the cost of the Urban Land Institute and \$70,000 for a workyear in DED dedicated to
38 Germantown, similar to what we have done in the past when we've funded a Silver
39 Spring Redevelopment Office and a Wheaton Redevelopment Office. It was clear we
40 needed to do that in DED for Germantown. So that's the Committee's support for these
41 issues,

42
43 Council President Leventhal,

44 Okay, Mr. Knapp, did you want to comment on the Gaithersburg/Germantown issue?



May 8, 2006

Councilmember Knapp,
Yes, sir,

Council President Leventhal,
Go ahead,

Councilmember Knapp,
No, I just want to thank the Committee's support for these issues. As you all are aware, clearly the Germantown community is in a maturation process. Since 1990, when there were about 37,000 residents in Germantown, to the year 2005 where there were just about 85,000. So the residential portion of Germantown has grown, and has nearly approached the build out phase. If you look at the jobs perspective, however, I think, we're right around 20,000 jobs with a zoning capacity of over 70,000. The challenge is now to really reorient the focus to make sure we get the jobs near where the people are. I host a Germantown Leadership Forum and we had our first meeting three weeks ago. We had Park and Planning come and give the folks a demographic presentation of the community. Over 80% of the residents in the workforce in Germantown commute more than 35 minutes to some other part of the County for employment. The basic numbers are if we could get 20,000 of those people to work somewhere near where they live, that's 20,000 fewer people getting on I-270 every morning, addressing one of the most congested corridors in the state. So this is an effort -- it's really been a grassroots effort on the part of the Chamber to work with the community to identify a series of initiatives that can bring the community together to focus on the Economic Development portion. I think it's exciting because it's the first time that I'm aware of that the community has really come together to develop such a plan. And for the County to then support it, I think, is going to be significant to its ultimate success. The issue that the Committee has raised as it relates to the charrette process is one that's been discussed. And, in fact, while Park and Planning isn't the facilitator, Park and Planning is certainly playing a role in the process. And just looking at what we'd approved from a master plan time line, the reality is that if everything works the right way, the County Council won't take up the Germantown Master Plan until sometime in the spring of the year 2009. We have six developable parcels where the people are ready to go and are looking to try and kind of update elements from the Master Plan in 1989. For them to wait another three years to really take advantage of various market conditions, I think is just not going to be particularly feasible. And so they want to bring Park and Planning into that process and make sure that we're there, but to kind of get the impetus and move everything forward and accelerate the Economic Development portion, I think the charrette process is significant. I appreciate the Committee's comments. I think we're trying to make sure that everybody's at the table to have that right conversation. I would urge everyone's support ultimately,

Council President Leventhal,
Ms. Floreen,



May 8, 2006

Councilmember Floreen,

Thank you. I just wanted to comment on Mr. Knapp's proposal that we support it in Committee with the -- I guess the statement that this is proof of the pudding that we need to adjust how we do master planning efforts to address rapidly evolving community needs. And what was helpful about this conversation is that the Park and Planning people -- we're awaiting their time at bat here so we could discuss how this would fit into the Master Plan program. The challenge on this one, frankly, is that I think the Chamber expects the charrette to come up with Text Amendments that will address their needs. I don't know if that will be the case or not, but I do think that this issue is part of the prelude to our conversation with Park and Planning at the end of next month as to how we get these plans moved forward at a more rapid pace. Because it should be a Park and Planning initiative and not having to be funded through the Office of Economic Development to do the kind of work that Park and Planning is classically responsible for. So it's fine to do it this way. I'm just a little concerned about increased community expectations as to what this will produce, given it's need to be coordinated with the Master Plan. Hopefully that will get sorted out in part in June and in part through the charrette, and in part through master planning work that's being done. But it is important that everyone understand that there is a context for the conversation. So there we go. We'll see how it falls out next couple months,

Council President Leventhal,

Okay, regarding grants number One, Two, Three, and Four, Grants number One, Two and Three are all contained in this book. Despite what it says here in the memo, "This request is not on the County Council Grant List," in fact, it is,

Councilmember Silverman,

Which one?

Council President Leventhal,

The Asian Pacific American Chamber of Commerce; it is. And so I don't know whether to try and raise this now when it's late in the day and the Chief of Police is waiting to talk to us, or whether we talk about it at Grants Day. And I know this is not a perfect process, by any means, but we want -- those of us who want to -- want to move in the direction of a process that any nonprofit organization knows there is one set of rules, there is one application, there is one deadline. Now the HHS Committee is not reviewing the several hundred HHS related grants because the entire Council is interested in these and we've brought them before the whole Council. But with these four it seems like they're getting a special ticket onto the Reconciliation List even though all of them were reviewed by the Grants Panel. They are not much different than other similarly situated things. There isn't really a bright line between what is Economic Development and what is Community Development and what is Family Development and Youth Development. And we have I mean, for example.,



May 8, 2006

1 Councilmember Silverman,
2 I guess the question...

3
4 Council President Leventhal,
5 ...let me give you a couple examples how irregular this is. The Association of African
6 American Financial Advisors is not treated as Economic Development, but the Asian
7 Pacific American Chamber of Commerce is. The Asian Pacific American Chamber of
8 Commerce did submit their grant application, and it did rated the by the Grants Panel,
9 but that's not considered by the PHED Committee. CASA of Maryland, as we all know,
10 has multiple grant requests, all addressing in various ways the economic and social
11 needs of a certain population. They could couch this as an Economic Development
12 request maybe in the hope of getting treated differently and specially, but it's not all that
13 different than the rest of the work they do. So I'm just confused, I don't see how these
14 four grants get a special ticket onto the Reconciliation List when next week we'll be
15 looking at all of these hundreds and hundreds of other grants,

16
17 Councilmember Silverman,
18 Excellent question. We've got grants that I recall went through the PHED Committee for
19 Afterschool programs in the Rec Department. Whether they were or were not on the
20 Grants Advisory Committee, they came through on Ms. Praisner's request, as part of a
21 package that I believe five Councilmembers signed off on for Afterschool programs.
22 Nobody suggested we shouldn't take it up in the PHED Committee. Our understanding
23 was we take up things which are not human -- I'm using this term generally -- Human
24 Service related,

25
26 Council President Leventhal,
27 But the Human Services Committee didn't take up the ones that were Human Services
28 related,

29
30 Councilmember Silverman,
31 I know, because that's supposed to be handled through the Grant process. But my
32 office's understanding was that anything that is not, in effect, a Health and Human
33 Services Grant, which can be a pretty broad category, gets covered in a Committee.
34 And we cleared -- I mean, on these, these were cleared through the Office of the
35 President, otherwise we would have left them to be dealt with at Grant Day,

36
37 Council President Leventhal,
38 Let's do this, I'm looking at this thing now and it says -- and the Grant Application itself
39 says, "Health and Human Services and Community Development Activities." Now you
40 may be making a distinction between Community Development and Economic
41 Development, but I have no idea what that distinction is,

42
43 Councilmember Silverman,



May 8, 2006

1 You know, you could argue it in a variety of different ways. I'm not disagreeing with you.
2 I'm just saying we didn't -- we cleared these through your office. If they shouldn't have
3 been taken up in the PHED Committee we would have been more than happy to raise
4 them on Grant Day. Because there were three members of the Council on the
5 Committee that would have voted to put them on a list at Grant Day. So I guess we
6 gave them I would respectfully say a lot more scrutiny, perhaps, than the Grants
7 Advisory Committee did. I don't even know if any -- I have to say I didn't take a look at
8 the list of who's on there. But I don't know whether -- no of who is on the Grants
9 Advisory Committee. But I don't know to what extent they have any background in
10 reviewing grants that are more Economic Development related. Maybe they do. But,
11 you know, I don't know. I know some of them, I don't know all of them. And I don't know
12 whether they're used to looking at or were intending to look at grants that we thought
13 were more of an Economic Development or job related. That's why we put them on the
14 list,

15
16 Council President Leventhal,
17 But there are many others that are job related that are not on this list. You know, it's late
18 in the day, but I think we need to bring this back on Grants Day and understand -- so
19 that at least let's bring back -- David this doesn't even have to do with you. This is an
20 internal, this is the Council's own process for figuring out what to do,

21
22 Councilmember Silverman,
23 We ought to do when we get the when we get the Recreation Department items for
24 Afterschool programs then, except for the once that are funded through the Recreation
25 Department, we should make sure they get taken up on Grant Day, as well. Because -- I
26 forgot, who does the money go to for the Blair Sports Academy? Does that actually go
27 to -- it goes to the Recreation Department?

28
29 Unidentified Speaker,
30 To the Recreation Department for Blair,

31
32 Councilmember Silverman,
33 And there is a grant to YMCA?

34
35 Unidentified Speaker,
36 For Einstein,

37
38 Councilmember Silverman,
39 For Einstein and then something else. So maybe we should take those up,

40
41 Councilmember Floreen,
42 And if I might interject, especially with those Rec programs, the suggestion was made
43 that that might -- it would be a different way of approaching, of addressing some of the
44 grant -- independent Grant Applications. We just looked at it in context. However you



May 8, 2006

1 want to resolve that is fine. The Committee recommendation will be the Committee
2 recommendation, at least on those particular items. But they -- especially the
3 Afterschool programs did involve a more thorough look at their coordination of
4 initiatives,

5
6 Council President Leventhal,

7 My only -- I mean I have many goals here -- but my primary goal is that when my
8 constituents ask me, "How do I get money?" I can give them a clear and consistent
9 answer. That this is -- there is a deadline, there is a form, here's where you get it, it's on
10 the internet, here is how it works. And so if -- to the extent that there's -- if you're this
11 you do that, but really, if you go to Steve you can do it differently. And then it'll be put
12 through his Committee. And it's a whole other process if you've got friends with another
13 Committee Chairman. And maybe you can go through another Committee. We should
14 have "a" process. And we're refining it and it's not perfect,

15
16 Councilmember Floreen,

17 Well, we didn't do that in the T&E Committee, I don't think,

18
19 Council President Leventhal,

20 I don't think we gave any grants to nonprofits in the T&E,

21
22 Councilmember Floreen,

23 Why don't we just, if you prefer just cut out the grant things and look at them all
24 together. But at least these things would be supplemented by the Committee
25 recommendations,

26
27 David Edgerly,

28 If I may? And I know that this is an issue that you need to wrestle with, but there are --
29 you need a little bit of additional information. We just had a conversation about GWI. We
30 also fund as a partner the High Tech Council. Sometimes there are grants on this list
31 that actually are direct partnership activities, in the Gilcrest Center, in Wheaton, in
32 Wheaton Redevelopment, that are closely aligned with a partnering that department
33 wants to do, as opposed to the definition that's being used of a grant is a grant and we
34 know it when we see it,

35
36 Council President Leventhal,

37 Where is GWI in this budget?

38
39 David Edgerly,

40 It's in the Marketing Budget as a General Allocation, as is the High Tech Council in the
41 Director's Office. So we have contracts with these entities and we can quarrel with
42 definitions. I wanted to share with you that there are other partnering activities that go
43 on that really don't fit the definition of being a grant, if you look at everything that we do
44 with an outside entity,



May 8, 2006

Council President Leventhal,

No, not really. David, this isn't really relevant to anything that is in the budget. This is really more about the things that people come to the Council and ask for,

David Edgerly,

I know,

Council President Leventhal,

But I am curious about GWI. They came and met with me and asked me for a restoration of what they used to get 'cause they were afraid -- they told me that couple years back Montgomery County slashed the amount of dues it was paying, and that they were afraid that Fairfax and others were going to follow suit. Have you had that conversation with them?

David Edgerly,

They have that concern, we're engaged in conversation with them, as we speak,

Council President Leventhal,

What is in the budget, 'cause I don't see it in the packet,

David Edgerly,

It's 25. It's in the budget,

Council President Leventhal,

A few years ago it was 125?

David Edgerly,

That's correct,

Councilmember Silverman,

Yes, but, if I may, it is contained in an aggregate budget,

David Edgerly,

Correct,

Councilmember Silverman,

We made it very clear that we were leaving the Director of the Department's discretion to utilize those funds in the Marketing and Business Development Program as he sees fit,

Council President Leventhal,

I do see it here in the packet. If he felt -- in other words, we're not telling him how to market the account. If he feels, I mean, we were in a specific time a couple years ago



May 8, 2006

1 where we needed to make certain cuts, that was one of them and the direction was
2 clear to the Department and the Committee is giving the Department a -- much more
3 latitude in terms of it's decisions. Well, the way it was described to me was the cut was
4 not because we were in a tough fiscal period, but the cut was somebody was unhappy
5 with the Board of Trade's strong support for the Purple Line,
6

7 David Edgerly,
8 Regardless of the reason for the cut, the cut was made and the Committee also didn't.,
9

10 [LAUGHTER]
11

12 Council President Leventhal,
13 Not on this side of the street. Not on this side of the street,
14

15 David Edgerly,
16 ...the Committee also didn't recommend additional funding for it,
17

18 Council President Leventhal,
19 Okay, are you concerned about the possibility of Fairfax and Arlington and these others
20 scaling back their support for this initiative?
21

22 David Edgerly,
23 I am,
24

25 Council President Leventhal,
26 All right, well let's... When we have our grant staff fully here on Grants Day, Mr.
27 Chairman, real quick I'll let you get back to your conversation in just a second, I want to
28 take up again.,
29

30 Councilmember Silverman,
31 Yes, sir. Fine. Fine. That's fine,
32

33 Council President Leventhal,
34 ...an understanding of how these organizations were.,
35

36 Councilmember Silverman,
37 By all means,
38

39 Council President Leventhal,
40 ...what was explained when they applied and what we think the rules are going to in
41 future,
42

43 Councilmember Silverman,
44 I would agree and we ought to take a look at the resolution we passed,



May 8, 2006

1
2 Council President Leventhal,
3 And have the resolution available,
4

5 Councilmember Silverman,
6 I mean to see, you know, because there are some others flying around that have
7 bypassed Grants Advisory Committee because...
8

9 Council President Leventhal,
10 But these did not. One, Two, and Three were reviewed, they're in the book,
11

12 Councilmember Silverman,
13 If they were, it was because they applied. But, again, you know, my understanding was
14 the Committee could take them up because they were Economic Development grants.
15 Happy to have them back in the hopper, so to speak,
16

17 Council President Leventhal,
18 There are no further questions on the Economic Development Budget and so the
19 inquisition's up for now, David,
20

21 David Edgerly,
22 On Five -- Item Five, is that...
23

24 Council President Leventhal,
25 What's that,
26

27 David Edgerly,
28 What was the action regarding Number Five?
29

30 Council President Leventhal,
31 On -- which one is that, the Germantown/Gaithersburg Chamber?
32

33 David Edgerly,
34 Yes, sir,
35

36 Council President Leventhal,
37 Well, I assume the Committee's recommendations are all agreed to, unless there is
38 objection,
39

40 David Edgerly,
41 Thank you,
42

43 Councilmember Floreen,
44 ...that is part of what we were just discussing,



May 8, 2006

1
2 David Edgerly,
3 Was that a grant, or is that -- I mean that was a...

4
5 Councilmember Floreen,
6 It was a grant,

7
8 David Edgerly,
9 Actually, the \$25,000 would be a grant. The position is a position augmentation.
10 However that's -- Justina will figure it out,

11
12 Council President Leventhal,
13 Well, I mean there is text -- I'm sorry, but Mr. Silverman is gone -- with respect to these
14 two paragraphs, this would be the direction from the Committee. And the Committee's
15 recommendation is approved by the Council. So the Committee has given direction to
16 the Department as to how to implement this. Thank you very much, so we now turn to a
17 Criminal Justice Overview from the Public Safety Committee,

18
19 Councilmember Andrews,
20 Okay, thank you, Mr. President. Linda McMillan has done another excellent job of
21 pulling together an overview of the criminal justice agencies. I'm just going to highlight a
22 couple trends and all the other information is there for you guys to look at and use in
23 analyzing the different criminal justice budgets. But I would point out there has been a
24 significant increase in robbery in the last year; up 31%. Significant increase in requests
25 for DNA analysis, which is a very significant issue. And a significant increase in pretrial
26 supervision compared to several years back. So those are some of the trends that are
27 driving some of the budget here. I think we should get right into the Police Department
28 Budget. So if they'll join us at the table,

29
30 Council President Leventhal,
31 Chief Manger and your team,

32
33 Councilmember Andrews,
34 Good afternoon,

35
36 Chief Thomas Manger,
37 Good afternoon,

38
39 Council President Leventhal,
40 Chief Manger, Chief O'Toole,

41
42 Councilmember Andrews,
43 All right, two years ago the Public Safety Committee asked Chief Manger to look at the
44 current complement of officers [INAUDIBLE] at that time in the Department and come



May 8, 2006

1 back and give us his analysis of whether it was sufficient. And he came back, and came
2 back with a five-year staffing plan that proposes major changes in terms of the number
3 of positions. The Chief's recommendation was to add approximately 250 positions over
4 five years in various parts of the Department, and we are in the midst of implementing a
5 good portion of that plan. We began last year by adding a little over 30 positions to the
6 Department. And this budget would continue the implementation of the Chief's plan.
7 And it's very well outlined here by Linda McMillan on page three: that it would add two
8 Police Community Action Teams; complete the -- which is a total of 14 new positions,
9 sworn positions. Complete the Chief's recommended staffing for the Robbery Unit by
10 adding three positions there. Complete the Chief's recommended staffing for the Silver
11 Spring CBD Team by adding two positions there to get up to the full compliment of 13.
12 Complete the Chief's recommended staffing for the Wheaton CBD team by adding three
13 positions there. Increase staffing for the DNA and Drug Analysis Unit. Add an
14 investigator for the Pedophile Unit. Implement Speed Camera Enforcement, which is a
15 major new program within the Department that would in the next year consist of 23 new
16 non-sworn positions to implement that program. Captain Didone is very involved with
17 that, as well. And then there are some other items in the budget regarding vehicles. To
18 basically add vehicles for all the new positions and add eight unmarked cars to meet
19 existing needs that are not tied to a current position. There are some other changes as
20 well. That's a very short summary, but I think the bottom line is let's just go through the
21 packet item-by-item quickly. See if there are any questions. On page six, one major
22 change is to add two Police Community Action Teams. These would be mobile teams of
23 seven officers, one sergeant, six police officers. So there are two teams of each to
24 respond to changing crime trends. These units could be assigned through out the
25 County as needed to meet emerging needs. And we've had a good experience already
26 with the addition of the Special Assignment Team in the Sixth District that is making a
27 difference in terms of robbery. The Canine Units have already been useful, that were
28 added last year, that have provided Canine Officers at the District Stations that are
29 available, basically, all the time. And the Community Action Teams will help the Chief
30 address trends that are not necessarily fixed, but are changing from month-to-month in
31 some cases. So, it will give the Chief the flexibility to add resources quickly to areas of
32 the County that need it. That is an addition of 14 positions, and 10.5 workyears in the
33 next year. I'll just see if there are any questions about the addition of the PCAT teams,
34

35 Council President Leventhal,
36 Mr. Denis,

37
38 Councilmember Denis,
39 I have a question on the speed cameras, is this the right time?

40
41 Council President Leventhal,
42 No, we'll get there in a moment,

43
44 Councilmember Denis,



May 8, 2006

1 Okay,

2
3 Councilmember Andrews,
4 Not yet, but not too far,

5
6 Councilmember Denis,
7 Speeding ahead, I guess,

8
9 Councilmember Andrews,
10 Almost there,

11
12 Council President Leventhal,
13 Yeah, slow down, Howie,

14
15 Councilmember Andrews,
16 All right, well we'll be there soon. All right, second item we looked at was providing the
17 flexibility for the Department to add Patrol Officers. The Chief has indicated that he
18 thinks that about -- he wanted to add approximately 25 patrol officers in this second
19 year. The PCAT team, in fact, give him about half of that to assign around the County.
20 The Committee wanted to give the Chief the flexibility -- and the Department -- to add
21 some officers -- up to 12 officers in the coming year to the two recruit classes. A total of
22 12, up to six in the July class, and the balance in the January Class, to help meet the
23 need he identified in the staffing plan. This doesn't require it, it gives the Chief the
24 option. The Department is waiting to get money from the Federal Government for the
25 Centralized Gang Unit. And if that comes through -- which we expect it will -- then those
26 positions will need to be filled. So this leaves it up to the discretion of the Department as
27 to whether they can bring on all the officers and -- without, of course, lowering any
28 standards, as they never do -- into the classes in July and January. So, the Committee
29 is recommending authorizing the Department to bring on 12 more officers in FY '07, and
30 under those circumstances. I'll see if there are any questions on that,

31
32 Council President Leventhal,
33 There are not. Well, actually I have a quick one. With respect to most of these staffing
34 augments, is it the case that what we're paying now in overtime, pretty much -- we're
35 spending the money anyway. I mean, how do the -- a lot of the additional officers that
36 you're proposing to add are in areas where the overtime costs are already substantial.
37 And so we'll have an added cost for added staff, but we'll be saving roughly an
38 equivalent amount in overtime, or how does this net out with the reduction..,

39
40 Chief Thomas Manger,
41 I don't have the exact figures, the three biggest areas of overtime are Court Overtime,
42 which will not affect it. In fact, more officers, more court overtime. The ECC overtime is
43 also -- it wouldn't effect that. What it would affect is what we call the "Hold Over"
44 Overtime. That is where we're short on a patrol shift, and we hold someone over from



May 8, 2006

1 an evening shift to work a portion of the midnight shift. So, that's where we would
2 realize some savings in overtime,

3
4 Council President Leventhal,
5 Okay. So, now it's time to talk about speed cameras,

6
7 Councilmember Andrews,

8 Speed Cameras: All right, this is a major new program. As everyone is aware we now
9 have the authority to implement speed cameras in Montgomery County, and the
10 Department is in the midst of doing that, but we want to do it very deliberately. The
11 Committee has had a work session on this about a month and a half ago, and reviewed
12 it in the budget and the Committee session carefully as well. This is a significant new
13 addition. These are 23 new sworn positions that would be added over the course of the
14 year. It's described in detail in the packet. There are a lot of restrictions in the law. It will
15 be -- It is anticipated to be funded by revenues from the speed camera citations, but
16 contractors are not paid based on the number of citations, that's built-in. There are strict
17 limits on fines; \$40. Limits on where the cameras can go; residential roads and school
18 zones. No points. So there are a number of restrictions on the use of the program and
19 the Department is planning a combination of fixed and mobile cameras, and with --
20 which may be different from some other jurisdictions. And if there is anybody at the
21 table who would like to add anything on that, please feel free. I think the expectation is
22 that these will be rolled out sometime in the fall. We're going through the RFP process
23 now. We are gathering -- the Department is gathering data about where to put these,
24 where to go first. We have to measure the impact, we have to report -- the County
25 Council is charged with reporting back to the General Assembly in 2009 about the
26 impact of the program. So we want to make sure, as the Department does, that there's
27 a good baseline of information so we can measure the impact and the change, and get
28 it right the first time,

29
30 Council President Leventhal,
31 Mr. Denis is writing that report,

32
33 Councilmember Denis,

34 Yeah well, thank you Mr. Chairman. You've answered most of my questions, but maybe
35 the Chief or someone, I guess you can't tell us where they're going to be, but I just
36 would like -- and this is the veto override that was -- do we know how many there are
37 going to be, and could you give us some idea of the process, how it will be determined
38 where they will be and when they will be, Chief or...,

39
40 Chief Thomas Manger,

41 Yes, first one is a correction to what Councilman Andrews said. He said 23 sworn
42 positions, they actually will be civilian positions. We plan on having some number -- and
43 I'll just make a guess at this point -- half a dozen or so, fixed sites. But then we -- when
44 it's fully implemented we intend to have six mobile vans that have the equipment in



May 8, 2006

1 them, and we'd run them two shifts. So, we would have roughly -- well, we'd have the
2 equivalent of being able to have 12 different, do 1s different sites on any given day, and
3 that's if they just do one site per van, which they could probably do several sites per
4 van. So we had the potential to do a fair number of sites on any given day, throughout
5 the day and evening traffic patterns, and those again would be -- we would look at crash
6 data, we would look at requests from the community, and also information about where
7 -- with regard to the test that we're doing now to find out where people in fact are
8 speeding in these residential and school zones,

9
10 Councilmember Denis,

11 Okay, Thank you. Would a question be in order on the Crime Report itself?

12
13 Councilmember Andrews,

14 Sure. Sure,

15
16 Councilmember Denis,

17 Okay, thanks. Chief, on the robbery increases, 31%, and burglaries are down, and auto
18 theft is down. I was having difficulty reading the chart, trying to figure out District One,
19 hardly surprising because it's not color coded. I don't know if you would have any
20 backup that would make it a little more clear, but I'd be interested, it's really difficult to
21 figure out,

22
23 Councilmember Andrews,

24 What page are you on?

25
26 Councilmember Denis,

27 Circle 15 and the following circles. And also we had, as you know, a home invasion
28 situation in Chevy Chase. How is home invasion characterized? Is that -- does it depend
29 on whether or not there's burglary or a robbery or a crime of violence,

30
31 Chief Thomas Manger,

32 Yeah, home invasion robberies are typically characterized where the suspects enter the
33 home through force, and actually rob the people inside the home. If someone breaks
34 into a home and the suspect never encounters a resident -- or perhaps their home is
35 empty at the time -- that's strictly a burglary, that's a property crime. When there is a --
36 robbery is a crime against a person. That is where a suspect actually confronts an
37 individual and steals from them through intimidation or force. And so a home invasion
38 robbery, we characterize that when folks break into a home and actually confront the
39 homeowners or residents inside the home and rob them. Typically, the home invasion
40 robberies that we have in Montgomery County, you can often explain -- there's some
41 explanation as to why that particular victim was targeted. And -- for instance they,
42 they're known to have a great deal of cash inside their home because they perhaps deal
43 in a cash business, and perhaps a former employee might know that they don't deposit
44 the cash in the bank, they keep it at home. Generally when we have home invasion



May 8, 2006

1 robberies, there's some explanation as to why this particular victim was targeted. In the
2 case you're referring to, one of the reasons that it is so troubling is because it really did
3 appear to be just a random case, and there was no -- would have been no reason for
4 that home or those -- the individuals that live there to be targeted. So, at this point we're
5 thinking that it was just a random case, which obviously is much more troubling to the
6 community at large. I was at the town hall meeting in Chevy Chase just last week. We
7 discussed it at length with the folks at the meeting. And, as you know, we've made one
8 arrest in the case -- actually two arrests -- one of individuals who was there, we still are
9 looking for two other individuals involved in that case,

10
11 Councilmember Denis,

12 I want to thank you, Chief, and District One, and the Commander Wayne Jerman and
13 the officers there for being so responsive to the community in the meeting that we had a
14 couple of weeks afterwards. The officers came out and listened to the concerns of the
15 residents for several hours, and that was very much appreciated,

16
17 Chief Thomas Manger,

18 Well, it's understandable that that type of crime would create that sense of fear in the
19 community. And we were -- we felt that it was our responsibility to be there,

20
21 Councilmember Denis,

22 Thank you,

23
24 Linda McMillan,

25 And if Councilmembers are looking for the information by Police District?

26
27 Councilmember Denis,

28 Yeah,

29
30 Linda McMillan,

31 In the overview packet on circle 11 on the bottom half is the cumulative...

32
33 Councilmember Denis,

34 Circle 11,

35
36 Linda McMillan,

37 Of the overview packet, not the Police Budget packet,

38
39 Councilmember Denis,

40 Okay,

41
42 Linda McMillan,

43 And you'll see the bottom says "Cumulative,"
44



May 8, 2006

1 Councilmember Denis,
2 Oh, okay,

3
4 Linda McMillan,
5 And it's by Police District,

6
7 Councilmember Denis,
8 Gotcha. Thank you. Thanks, Linda,

9
10 Linda McMillan,
11 Okay?

12
13 Council President Leventhal,
14 Mr. Knapp,

15
16 Councilmember Knapp,
17 Thank you, Mr. President. Thank you, Chief, for your efforts, Chief O'Toole. As we've
18 looked at the crime statistics and we looked to try and increase staffing one of the
19 questions that's come up a couple of different places -- I've gone to different HOA
20 meetings and different community meetings -- is -- in the Upcounty -- the advent of
21 bicycle units, bicycle patrols. I'm not sure that the [Dempseys] are there to support it or
22 not, But I was wondering if you could get me whatever criteria you look to utilize when
23 determining whether or not bike patrols are something that you can begin to incorporate
24 into a community? It's just come up in a couple of different parks, and especially as a
25 couple of the different bike trails come online between Germantown and Clarksburg and
26 over at the SoccerPlex people have started to ask that question. So it would just be
27 helpful,

28
29 Chief O'Toole,
30 We can get that to you,

31
32 Council President Leventhal,
33 Okay, Chairman Andrews,

34
35 Councilmember Andrews,
36 All right, the increase in robbery is clearly a concern and in more than half the instances
37 a weapon was used. So I know the Department is focusing a lot of attention on this. And
38 we approved an increase in the Robbery Unit last year. This proposal in this budget
39 would complete the -- what was proposed in the Chief's staffing plan as of last year, at
40 least for addressing this and beefing up the investigations, the work with victims, and by
41 beefing up the other aspects of the plan, like the Police Community Action Team and
42 the Special Assignment Team, we are also strengthening the ability to stake out and
43 surveil tracks. So I think that it's a good example of responding to worrisome trend that
44 is maybe the single most worrisome trend in the statistics right now. Okay, so that's the



May 8, 2006

1 three -- that's on page 10 and 11 -- that's three new investigators in the Robbery Unit.
2 The Wheaton CBD, we would add -- the Committee is recommending adding three to
3 the Unit, which would complete the plan as proposed by the Chief. And the Committee
4 is recommending that \$34,000 be placed on the Reconciliation List to fund for a full year
5 the District Station Assistant in Germantown, which frees up a sworn officer to go to
6 Wheaton and get that third officer in place as of July. So that would be a full
7 complement at the start -- well, near the start of the year. The Silver Spring CBD Unit,
8 the Committee is proposing adding two to complete the 13-person complement that was
9 planned in Silver Spring. DNA and Drug Analysis, we're getting many more requests
10 [INAUDIBLE] is getting many, many more requests from the courts, from the State's
11 Attorney, to analyze using DNA. And it's becoming a standard feature of many cases.
12 They're not able to keep up with it. The state has pulled back -- contractors -- can't take
13 them on as much as needed. And so the Department needs more people in this Unit in
14 order to respond in a timely way to these requests, which is very important in order to
15 proceed with prosecutions. So the proposals is to add two new DNA Analysts, and they
16 were funded in -- this year with a grant from the state. This grant's going to expire in
17 September. We also recommended that an additional position be put on the
18 Reconciliation list for a Forensic Specialist who can help with the processing of the
19 evidence. So that would be a Reconciliation list item. I don't see any questions, Mr.
20 President,

21
22 Council President Leventhal,
23 No questions, Mr. Chairman,

24
25 Councilmember Andrews,
26 Okay, Pedophile Unit, the Committee agrees with the recommendation to add a new
27 Investigator in the Family Crimes Division, the Pedophile Section, and this would be a
28 full year position. Last year we added a non-sworn position to assist with the Sex
29 Offender Registry. In terms of overtime, we've been working for several years now to
30 develop a figure that's an appropriate amount of overtime that we can then reasonably
31 give to the Chief and his Command Staff and ask them to really hold managers
32 accountable for sticking to those numbers, rather than having an artificially low number
33 that really is unfair to ask people to abide by. The Chief mentioned the different drivers
34 of overtime. Court overtime is significant. There are efforts going on with the courts and
35 internally to try to reduce that figure. ECC overtime is very significant and that will be the
36 case as long as there's a lot of turnover at ECC, which we're still trying to address. And
37 then structural overtime we are addressing by adding officers. The figure that's
38 proposed for next year is \$10.6 million. That's an increase of \$1.6. The Department has
39 done a good job in coming close to staying on target with the amount that was proposed
40 for this year, and that's detailed in the packet. And so the Committee is recommending
41 approval of this with the belief that this is -- we're now getting to approximately the right
42 number for overtime that allows us to -- for the Department to hold managers
43 accountable for achieving and staying within that. All right, Next, vehicles. We need to
44 provide the vehicles for the new positions that are in the plan, and that's what this does.



May 8, 2006

1 In addition is would provide funding of \$156,000 for eight unmarked vehicles that the
2 Department has made the case are needed to improve efficiency current, or the
3 efficiency of officers in the Department now. This was -- this is discussed in detail in the
4 packet. The Committee agreed that the vehicles were justified and is recommending
5 approval,

6
7 Council President Leventhal,
8 Okay?

9
10 Councilmember Andrews,
11 Okay. We recommend delaying providing \$130,000 for an outdoor firearms range until
12 the contract is ready, as has been the case previously. So that would be deleted. The
13 Spanish Instructor we approved -- it's an 8/10ths workyear position -- because of the
14 need for having a Spanish Instructor at the Public Service Training Academy. The
15 Command Bus garage, we are supporting the proposal for \$40,000 to provide lease
16 space for a garage for the Mobile Command bus and certain other equipment. The
17 lease could cost \$80,000 in fiscal year '08. This is an alternative to a Capital Project of
18 building a warehouse for housing this and other Command vehicles. The Committee
19 has asked the Department -- actually has asked OMB to come back with a plan by
20 September about how to best address the need for storage for various vehicles like this
21 on a permanent basis, of Homeland Security, of Fire and Rescue, and Police, and any
22 other agency that requires storage on a regular basis to see if there isn't a economical
23 way to do it in order to eventually move away from leasing and toward a centralized or
24 permanent facility that would serve multiple agencies. But in the short-term leasing
25 seems like a reasonable thing to do. So we supported that. Humane Society Contract,
26 on page 18. We are recommending a Reconciliation List item of \$37,000 in order to
27 provide the amount of money needed so that employees at the Humane Society
28 continue to be paid a living wage. So that would be on the Reconciliation List. Crossing
29 Guards, six new Crossing Guards are proposed, although it's 1.8 workyears, that's
30 because of the amount -- I guess it's a quarter-year, third-year,

31
32 Linda McMillan,
33 Very part time,

34
35 Councilmember Andrews,
36 Very part time. So that's why -- it equates to 1.8 workyears for six Crossing Guards,

37
38 Council President Leventhal,
39 Just to understand the program, the packet says "the County Police Administrator of the
40 Crossing Guard Program for MCPS and other identified school crossings." So do
41 County Police provide crossing guards at large private schools?

42
43 [SILENCE]
44



May 8, 2006

1 Council President Leventhal,
2 Don't know,

3
4 Unidentified Speaker,
5 I can get back to you on that,

6
7 Council President Leventhal,
8 Get back to us, that's fine, no problem. The other...

9
10 Linda McMillan,
11 I would just say though that sometimes when you see a police officer at a private school
12 it's -- the school has hired them as an off-duty officer, but I -- and they can get back to
13 you. But there have been occasions where there's a dangerous crossing that's
14 sometimes the Police have covered for a private school,

15
16 Council President Leventhal,
17 I'm not casting any judgments as to whether it's a good idea or a bad idea,

18
19 Linda McMillan,
20 No, I'm just saying that there are a variety of ways that a school may have a police
21 officer assisting with traffic,

22
23 Council President Leventhal,
24 I'm just interested...

25
26 Chief Thomas Manger,
27 And I know that we do allow these schools to hire off-duty officers to work traffic. I just
28 don't know if there's any intersecting that is so compelling that we have to provide that,

29
30 Council President Leventhal,
31 Sure, you can get back to me,

32
33 Chief Thomas Manger,
34 So we'll let you know,

35
36 Council President Leventhal,
37 And then, related to that...

38
39 Councilmember Floreen,
40 Holy Cross,

41
42 Council President Leventhal,
43 Huh?



May 8, 2006

1 Councilmember Floreen,
2 I'll tell you about it at break,

3
4 Council President Leventhal,
5 Well, sure. Holy Cross, yeah. I mean I'm just interested to know. And then the -- related
6 to that on the crossing guards, these are Bargaining Unit members

7
8 Unidentified Speaker,
9 MCGEO,

10
11 Councilmember Denis,
12 Yes,

13
14 Council President Leventhal,
15 Um-hmm. Okay, thanks,

16
17 Councilmember Andrews,
18 Okay, just a note on the Grants Manager, the Chief has reassigned a position that was
19 vacant in Labor Relations to Management and Budget in order to have a Grants
20 Manager. So that need is being met in that way. On towing, good news, [Nick Tucci]
21 reports he's not getting any complaints, that he used to receive five to seven complaints
22 a month about the towing regulations, and he isn't receiving any anymore. So that's a
23 good sign. And in order to -- in order for the County to provide money that it
24 occasionally needs to put out for towing, we need an additional \$13,800 in the budget to
25 reflect an increase of 4% in the towing fees, which are tied to the cost of living. So that
26 would also be a Reconciliation List item,

27
28 Council President Leventhal,
29 Mr. Chairman, I'm sorry. There was another question I had on crossing guards,

30
31 Councilmember Andrews,
32 All right. When you're in a municipality, do the County -- are those MCGEO Bargaining
33 Unit members, as well? Are they County employees or does the municipality provide
34 those? You can get back to me on that as well,

35
36 Councilmember Denis,
37 [INAUDIBLE]

38
39 Council President Leventhal,
40 They're County?

41
42 Chief Thomas Manger,
43 It means the Montgomery County Public Schools, I believe...
44



May 8, 2006

1 Unidentified Speaker,
2 I don't think so,

3
4 Chief Thomas Manger,
5 ...County employee crossing guard,

6
7 Council President Leventhal,
8 But if it were a police officer it would be a municipal officer, presumably,

9
10 Chief Thomas Manger,
11 It would be -- well, it depends on the municipality. If it's Takoma Park, Takoma Park
12 covers their crossings. If it's Gaithersburg or Rockville or Chevy Chase we'd probably
13 have trade off with them,

14
15 Linda McMillan,
16 But if it's a crossing guard it's with the County Police Department. But, for example, the
17 Committee met earlier this year and talked about the City of Rockville having and
18 initiative with some elementary schools. And I know that they had City staff that went
19 out in addition to what we would supply for the crossing guards. So it would be a mix in
20 a municipality,

21
22 Councilmember Andrews,
23 All right, and then just -- there's some technical corrections to the personnel
24 complement. In short, I would say that this is a significant budget. It's certainly a
25 significant increase. Multiple changes in this budget. I think they are well thought out by
26 the Chief and have been well justified. I think we're positioning the Department to be in
27 an even better position to drive down crime in Montgomery County, which by any
28 standard is low for our size, but which we always want to drive down even further. And
29 we are, as I said earlier, seeing an increase in Robbery, in particular, which we want to
30 get ahead of and get back in a different trend. So I want to thank the Chief and all his
31 staff and Linda for their great work. I think this budget moves us forward, and the Public
32 Safety Committee recommends it unanimously,

33
34 Council President Leventhal,
35 Very good. Okay, without objection the Police budget is agreed to and the Council is
36 adjourned for the day. We'll see you tomorrow morning. Thank you, Chief, and to your
37 entire team,